AGRICULTURAL OUTLOOK

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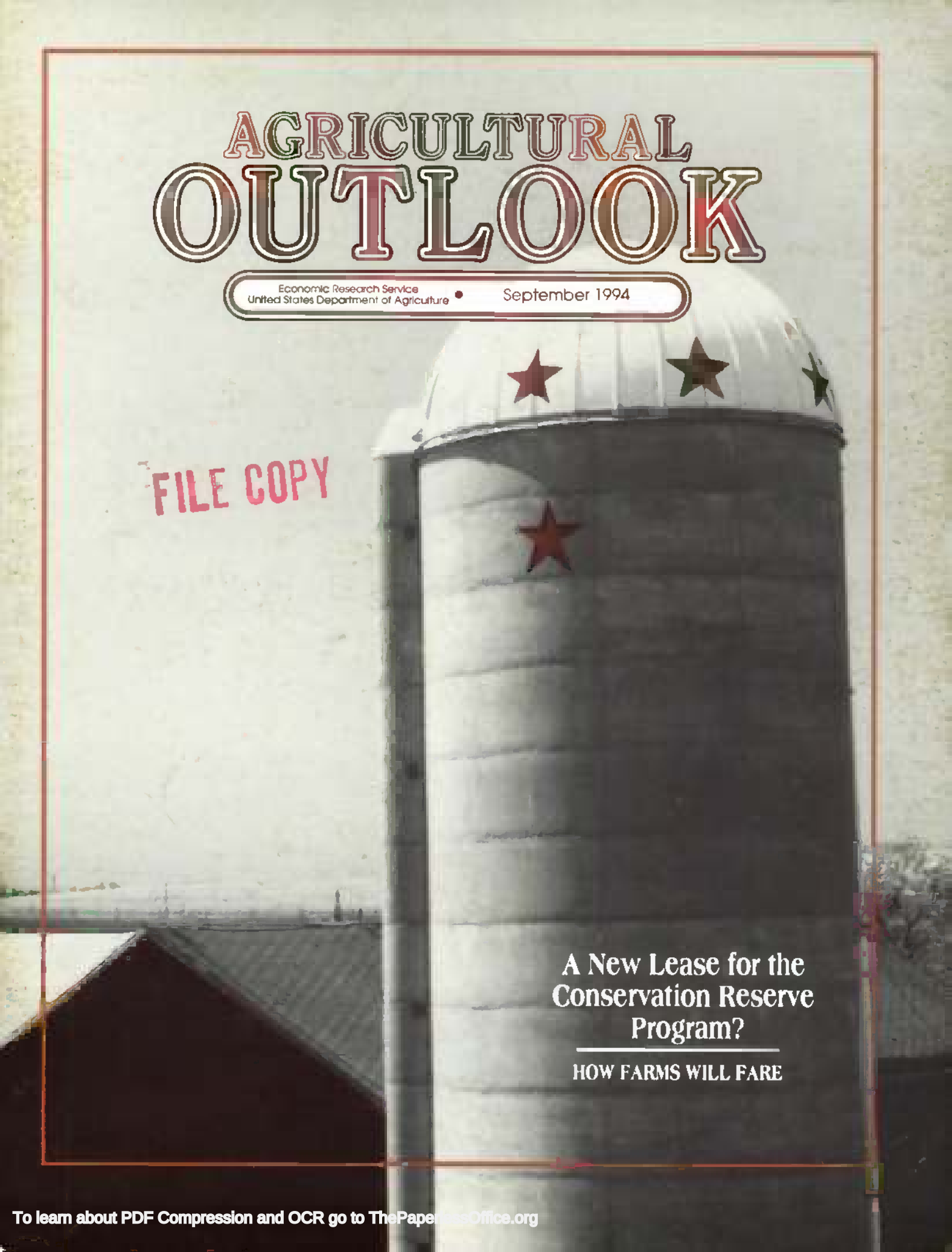

A New Lease for the Conservation Reserve Program?

HOW FARMS WILL FARE

September 1994/AO-211

AGRICULTURAL OUTLOOK

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Jim Schafer

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Bumper Harvests . . . CRP Economic Impacts . . . WRP Post-Flood Signups . . . & Rwanda's Food Crisis

Corn & Soybeans Rebound

U.S. corn, soybean, and spring wheat crops are projected to make a strong recovery from last year's reduced levels. Generally favorable growing conditions in the Midwest should put the 1994/95 corn crop 45 percent above last season. Record yields and the largest acreage in a decade are boosting the soybean crop by 26 percent to a new record. The spring wheat crop is forecast up sharply, with durum up 42 percent and other spring wheat 9 percent above last year.

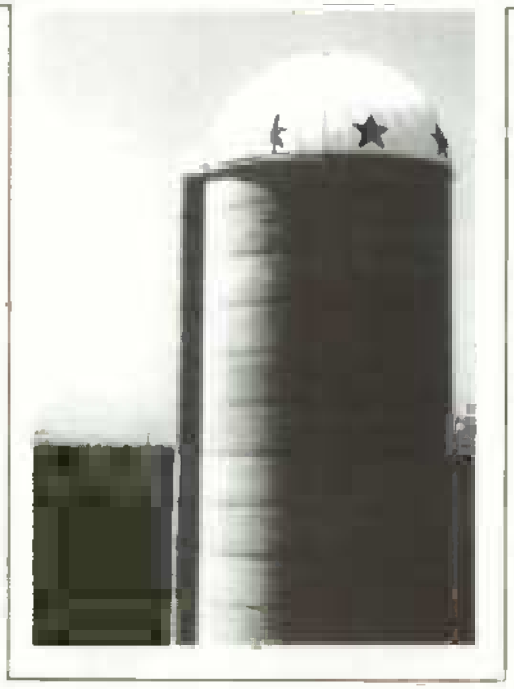
Cotton production is projected to exceed the 1937 record by 2 percent due to higher yields. U.S. exports are expected up, and domestic use will be the largest in over 50 years. Rice production, with larger area and near-record yields, is projected up 21 percent from last year to a new record.

A larger harvest this fall is expected for a wide range of fruit and vegetable crops. Strong export demand is anticipated for most of these crops, including apples and dry beans.

Marketing Navel Oranges

Shipments and prices of California and Arizona navel oranges during this season hint at patterns that may emerge with termination of the Federal marketing order. This summer's termination will eliminate all shipping restrictions on California and Arizona navel oranges. The season that ended in early July was the first full marketing season with the marketing order's weekly shipment restrictions suspended.

California and Arizona navel oranges account for over 80 percent of fresh-market production. If the price and shipment patterns seen in the 1993/94 season are realized in the long run, growers and handlers will likely alter their marketing strategies. Without restrictions, growers would ship a larger share of the crop early in the season, and price patterns would change.



Post-Flood WRP Expansion

The fledgling Wetlands Reserve Program (WRP)—created in the 1990 Farm Act to protect some wetland areas with permanent or long-term easements—gained renewed interest after extensive floodplain damage in the Midwest last year. Congress subsequently raised enrollment targets for wetland acreage and authorized a second WRP signup period, which took place early this year. In addition, an Emergency Wetlands Reserve Program was initiated specifically for farmers in eight flood-ravaged states.

Acreage offerings for the second signup cover a broad geographic distribution of states, with about a third in the Midwest. As a result of the second signup, almost 75,000 acres of cropland and other acreage have been accepted into the WRP for fiscal 1994—the maximum allowed by law for this year. Combined with the acres accepted in the 1992 signup and the Emergency Wetlands Reserve Program, this amounts to 150,300 acres in permanent reserve. The 1994 acreage cap may be lifted because appropriated funds still remain.

Food Aid & Rwanda's Crisis

The large-scale displacement of Rwanda's people in the face of civil war has resulted in a huge food deficit, which the U.N. Food and Agriculture Organization estimates to be equivalent to 1 million tons of grain for the remainder of 1994 and early 1995. The crisis in Rwanda reflects the problems facing many African countries, where diets are barely adequate and a single event such as political disruption or drought can overwhelm a fragile food supply system. Sub-Saharan Africa's vulnerability to food supply shocks is likely to become more acute during the next decade unless a major effort is undertaken to overcome declining per capita food output and incomes. Food aid remains critical to ensuring adequate food supplies and addressing the food crisis in Sub-Saharan Africa.

The CRP & Farm Economies

As Congress considers future alternatives to USDA's Conservation Reserve Program (CRP), questions arise concerning impacts the changes might have on farm income and other economic conditions in regions with significant CRP acreage. Contracts on over 36 million acres enrolled in the CRP will expire by 2003. That represents around 9 percent of farmland in a typical year.

Short of full contract renewal, other options being considered include limited extension of the program in some form—perhaps targeting the most environmentally sensitive land. The economic consequences of the return of CRP land to production are likely to include lower prices for some commodities, slightly lower farm program payments, a small decline in farm income, and employment gains in some regions. The major impact on farm income would be reduced revenue for grain and soybean production due to lower prices. However, impacts would vary among regions and by degree of enrollment.

Where the Farms Are

Among the enduring myths about agriculture is the perception that farming takes place only in rural areas and that it is the primary rural enterprise. According to a recent report by USDA's Economic Research Service, only about one out of six U.S counties are economically dependent on farming, and most of these are rural.

But outside the farming-dependent counties, the study classified another 14 percent of U.S. counties as top agricultural producers—the *major farming group*—and these are mostly metro or metro-adjacent counties. The majority of farms (60 percent) are in the residual group of counties—neither farming dependent nor part of the major farming group—with population density and economic structure mirroring those of the nation.

The farm sector in the farming-dependent group is large enough to have an obvious and important local economic impact. But where farming is a relatively small portion of the local economy—as in the other two groups of counties—the nonfarm local economy may have greater impact on farming than farming does on the local economy.

Producers in metro areas, for example, may experience increasing land costs, water conflicts, and other urban pressures without a compensating increase in farm values. And most farm households are likely to have an interest in the nonfarm economy, because they depend heavily on off-farm income, regardless of county group.

Also, farm commodity programs may have limited potential to affect farm households because most operator household income—on average—comes from off-farm sources. Even in farming-dependent counties, where commodity payments play a larger role in total farm income, more household income comes from off-farm sources, on average, than from the farm. Development programs that strengthen local nonfarm businesses may have more impact than commodity programs on farm operator household income.

About 16 percent of U.S. counties—concentrated in the Midwest—are farming dependent. A county is classified as "farming dependent" if it receives at least 20 percent of its earned income from farm wage or salary jobs and self-employment.

Farming-dependent counties account for a substantial share of U.S. farm production. About 14 percent of all farms were located in these counties, and they produced 19 percent of the total value of farm output. About a third of the farms in this category—more than in either of the other two county groups—specialized in cash grains. Nearly two-thirds of the farms in this group were in the Midwest. The farm operator households derived about 60 percent of their income, on average, from off-farm sources.

Farming accounted for nearly one-third of earnings and over one-fifth of employment in the farming-dependent counties. Economic performance was especially poor in farming-dependent counties. According to the Commerce Department, during the 1980's about 60 percent of these counties lost employment, and 80 percent lost population.

Outside the farming-dependent counties, another 14 percent are top farm producers. The importance of farming can be measured in ways other than by the percentage of local earnings it provides. In many counties, farm production is substantial in absolute terms, even though farming provides a relatively small share of total earnings. Among the top 20 percent of U.S. counties ranked by total farm earnings, this study designated those not dependent on farming as the "major farming group."

Farming-Dependent Counties Defined

The Economic Research Service (ERS) identifies farming-dependent counties using local area personal income data from the Bureau of Economic Analysis, U.S. Department of Commerce. Farming-dependent counties receive at least 20 percent of total earnings from farming.

The 521 farming-dependent counties as of 1986 discussed in this article are based on earnings in 1981, 1982, 1984, 1985, and 1986. Thus, farm earnings had to account for at least 20 percent of total earnings during those years.

The year 1983, which was not included in the calculation, was unusually poor for farm income. A 5-year average for total and farm earnings was used to minimize the effects of annual fluctuations in weather or markets.

The 1986 farming-dependent county classification was the most current available when this study began. ERS will publish an updated classification later in 1994 based on 1987-89 data. The farm financial crisis during 1981-86 reduced farm income in many counties. A count based on more current data would yield additional farming-dependent counties.

The major farming group of 434 counties is important to U.S. agriculture. Although the group contained only a fourth of all U.S. farms in 1993, it contained nearly a third of all commercial farms, or farms with sales of $50,000 or more. And 44 percent of the commercial farms in the U.S. with sales over $500,000 were in this group. Major farming counties provided 41 percent of the 1993 value of agricultural production.

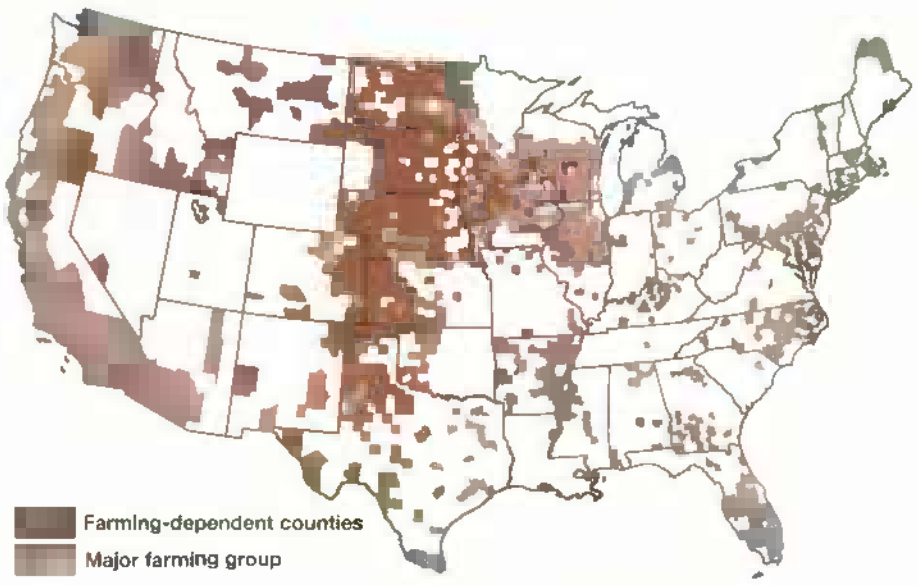
About 40 percent of the farms in this group were located in the Midwest and 30 percent were in the West. Farms in the major farming group were more likely to specialize in dairy or high-value crops.

About 44 percent of the farms in the major farming group were located in metro counties, and most of the rest were adjacent to a metro county. (Generally speaking, a metro area is a county or group of counties containing a population of 50,000 or more.) In contrast, virtually all farms in farming-dependent counties were located outside metro counties, while about 25 percent of the residual group's farms were in metro counties.

The inclusion of metro counties in this analysis produces some results that may seem odd when first examined. For example, Los Angeles County is classified as a major farming county, even though it is heavily urbanized and contained 8.9 million people in 1990. But the city of Los Angeles encompasses only part of the county, which ranks fourth in the nation in production of high-value nursery and greenhouse crops, according to the 1987 Census of Agriculture.

Farming may be particularly challenging in major farming counties because farm operators there must adjust to an economically dominant nonfarm sector. For example, operators in major farming counties may face competition from the nonfarm sector for land, labor, and water. And zoning laws may restrict how farm operations are run. On the other hand, farming in these counties offers opportunities for off-farm employment that may buffer unfavorable trends in the farm sector. Local marketing niches for specialty agricultural products may also exist.

Most Farming-Dependent Counties Are in the Midwest



"Farming-dependent" counties receive at least 20 percent of earned income from farming. "Major farming counties" are in the top 20 percent of U.S. counties ranked by total farm earnings, but exclude those classified as farming dependent.

Counties in the residual category accounted for almost 60 percent of total farms. These are neither farming-dependent nor major farming counties. Forty-five percent of commercial farms were in the residual group in 1993.

Like the major farming group, the residual group produced about 40 percent of the value of farm production. However, this level of production required 2.3 times as many farms as in the major farming group.

Farms in the residual group were more likely to specialize in livestock, and about half were in the South. With farm operator households relying on off-farm sources for over 90 percent of their income, part-time farming appeared to be the rule in this group of counties. Total operator household income was lower, on average, than in the other two groups.

Perceptions of agriculture as confined to rural areas and as the primary enterprise in rural areas no longer conform to today's economic environment. Analysis of the farm structure of today, which creates a different picture, has implications for farm programs, rural development, and general economic development. *[Bob Hoppe (202) 501-8308]* AO

For more information . . .

Farming Operations and Households in Farming Areas: A Closer Look
ERS Report No. AER-685, May 1994 *($9 per copy).*

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Field Crops Overview

Domestic Outlook: August Projections For 1994/95

U.S. corn, soybean, and spring wheat crops are expected to recover strongly from the low levels of 1993. Soybean production is estimated at 1 percent over the record 1979 crop, while corn is expected to come in just below the 1992 record. The durum crop is likely to exceed last year's output by more than 40 percent. Estimates of both production and yield are based on a survey conducted by USDA's National Agricultural Statistical Service (NASS) between July 17 and August 2.

A near-record corn crop is projected. Excellent growing conditions in the Midwest and greater area are pushing up the 1994 corn crop to more than 9.2 billion bushels, 45 percent higher than last year's flood-stricken crop. Crop conditions in the 17 major corn producing states were mostly good to excellent for the week ending August 21, a considerable improvement over a year earlier. Crop development is well ahead of average, reducing the likelihood of damage from early cold weather this fall.

Prices have slipped as crop prospects have improved. USDA now projects a 1994/95 season-average price of $1.95-$2.35 per bushel, down from $2.50 in 1993/94. Larger than expected corn supplies and lower prices are projected to boost feed and residual use by nearly 10 percent to 5.25 billion bushels.

The 1994 soybean crop is projected up 26 percent to a record 2.3 billion bushels. Record yields and the largest area since the mid-1980's are behind the increase of 473 million bushels over 1993. Soybean crop conditions are mostly good, a vast improvement over last year's rating of fair to good conditions at this time. Favorable crop prospects have boosted projections for ending stocks to 370 million bushels, more than double carry-in stocks. Season-average prices are projected between $4.75 and $5.75 per bushel, with the mid-point 19 percent lower than last year's price.

Strong domestic soybean meal demand, buoyed by greater livestock inventories and feed demand, will push soybean crush to a record 1.31 billion bushels. Production of both soybean meal and oil production will increase 4 percent to 31.1 million short tons and 14.7 billion pounds. The midpoints of the estimated price ranges for soybean meal and soybean oil are both considerably below 1993/94 season-average prices.

Wheat production is expected lower than last year. Output gains for durum, hard spring, and soft red wheat will not be sufficient to offset lower white wheat and hard winter wheat crops. While durum production is expected up more than 40 percent, production of hard winter and white wheat, which account for more than half of total wheat output, are projected down 10 percent. Total wheat production is estimated at 2.4 billion bushels, down less than 1 percent from last year.

The winter wheat harvest was nearly complete by mid-August. Harvest was complete in all but the western states.

U.S. Field Crops--Market Outlook at a Glance

	Area								
	Planted	Harvested	Yield	Output	Total supply	Domestic use	Exports	Ending stocks	Farm price
	—Mil acres—		*Bu/acre*	*— — — — Mil bu — — — —*					*$/bu*
Wheat									
1993/94	72.2	62.6	38.3	2,402	3,040	1,241	1,228	571	3.26
1994/95	70.5	62.0	38.5	2,386	3,037	1,207	1,225	605	2.90-3.40
Corn									
1993/94	73.3	63.0	100.7	6,344	8,482	6,355	1,275	852	2.50-2.60
1994/95	78.6	71.8	128.4	9,214	10,071	6,960	1,450	1,661	1.95-2.35
Sorghum									
1993/94	10.5	9.5	59.9	568	743	465	200	70	2.30
1994/95	10.2	9.3	71.1	661	732	425	200	99	1.75-2.15
Barley									
1993/94	7.8	6.8	58.9	400	623	419	66	138	1.99
1994/95	7.3	6.8	56.8	389	592	390	60	142	1.85-2.15
Oats									
1993/94	7.9	3.8	54.4	206	426	318	3	106	1.36
1994/95	6.7	4.1	60.0	248	428	300	2	126	1.10-1.30
Soybeans									
1993/94	59.4	58.4	32.0	1,809	2,106	1,356	580	170	6.40
1994/95	61.8	60.7	37.6	2,282	2,457	1,422	665	370	4.75-5.75
			Lb/acre	*— — — Mil. cwt (rough equiv.) — — —*					*$/cwt*
Rice									
1993/94	2.92	2.83	5,510	156.1	202.6	98.7	81.0	22.9	8.10
1994/95	3.36	3.30	5,710	188.4	219.3	101.0	83.0	35.3	5.00-6.50
				— — — — Mil. bales — — — —					*¢/lb*
Cotton									
1993/94	13.4	12.8	606	16.2	20.8	10.4	7.0	3.5	58.00*
1994/95	14.0	13.4	665	19.2	22.7	11.0	7.3	4.5	**

Based on August 11, 1994 World Agricultural Supply and Demand Estimates. U.S. marketing years for exports.
*Weighted-average price for August-March; not a season average. ** USDA is prohibited from publishing cotton price projections.
See table 17 for complete definition of terms.

Harvest of the white winter wheat crop in the Pacific Northwest is typically completed several weeks after the hard and soft red winter wheat crops, but harvesting in those states is ahead of normal as well. Early tests of protein levels suggest that some of the white wheat crop might have higher than desired protein content.

The overall spring wheat crop is judged to be in mostly fair to good condition, slightly lower than a year earlier. Forty-six percent of the crop was harvested, slightly below average for this time. Though production has increased from last year, some concern remains about the condition of the hard red spring and durum wheat crops in North Dakota. North Dakota accounts for about half of the U.S. spring wheat crop.

Cotton supplies remain tight. The 1994 cotton crop is projected at 19.2 million bales, up nearly 2 percent from the 1937 record. Overall, crop conditions have declined since early July, although 56 percent of the crop was rated good or excellent as of August 21.

Despite the projected production increase of more than 3 million bales, strong cotton use is likely to constrain increases in cotton stocks. Total use, at 18.3 million bales, would be the largest since the 1926/27 season. Growing demand for natural fibers is expected to raise domestic consumption for the fourth consecutive year—to 11 million bales, the highest since 1942.

Similarly, tight supplies overseas will allow the U.S. to remain a major cotton exporter in 1994/95. U.S. exports are forecast at 7.3 million bales, 300,000 tons above 1993/94 shipments. Estimates of supply and use imply a stocks-to-use ratio of 25 percent, or only a 2-month supply.

Record rice production is projected. High prices at planting time and an acreage reduction program level of zero led to an increase in acreage of more than 16 percent. Larger area and near-record rice yields for 1994 are projected to push rice production to a record 188.4 million cwt, 21 percent over last year.

Wheat Agreement Averts Potential U.S.-Canada Trade War

The agreement reached on August 1 between the U.S. and Canada limits the amount of wheat Canada can export to the U.S. at the relatively low tariff rates established under the North American Free Trade Agreement (NAFTA). The August 1 agreement provides that total wheat exported from Canada to the U.S. at less than the highest tariff allowed, be no more than 1.5 million metric tons (August-July). This compares with total U.S. wheat grain imports in 1993/94 (June-May) of 2.5 million tons, almost all of which came from Canada.

Imports of Canadian durum wheat, which are included in the total, will be permitted up to 299,999 tons at the NAFTA rates. Imports between 300,000 and 450,000 tons will be assessed a rate that is higher—$23 per ton—but still below the highest tariff allowed. Imports of up to 1.05 million tons of other classes of Canadian wheat at NAFTA rates will be permitted.

Imports of wheat above the total stated ceiling of 1.5 million tons will be subject to a tariff of $50 per ton, which is likely to be prohibitive. The agreement expires July 30, 1995, and both countries have agreed not to pursue any trade actions or punitive measures in this area over that time period.

A panel of outside experts, the Joint Commission on Grains, will provide non-binding recommendations by May 31, 1995 on trade issues, including the pricing practices of the Wheat Board and the effect of the U.S. Export Enhancement Program on wheat trading between the two countries.

Only wheat exported under the auspices of the Canadian Wheat Board is included in this limit. Consequently, soft white wheat produced in Ontario, which is not marketed by the board and does not receive transportation subsidies, is not covered. In addition, neither wheat flour nor other processed wheat products are included in the agreement.

Increased supplies, combined with falling prices, will likely boost rice exports to 83 million cwt. The season-average price is projected between $5 and $6.50 per cwt, well below last year's $8.10. *[Stephanie Mercier (202) 219-0751]*

Global Market: Outlook for 1994/95

Larger world production of corn and soybeans is increasing trade prospects. Trade gains for wheat are constrained by weak global demand, but reduced foreign production is increasing U.S. export opportunities. U.S. corn and soybean exports are projected up due to larger supplies.

Weak demand persists in the world wheat market. Wheat trade, projected at 98 million tons, remains slightly lower than a year earlier. U.S. and Canadian wheat trade projections, however, are rising as drought reduces Australia's exportable supplies. Exports from Canada are projected up 5 percent from 1993/94, to 19.5 million tons, with improved crop quality and larger durum supplies. At 33 million tons, projected U.S. exports equal 1993/94 levels.

Australia's exports will likely drop to 10.5 million tons, a 17-percent decline as its crop falls 30 percent. Exports from the European Union (EU) will also decline, in part because of reduced durum supplies.

Agricultural Economy

Large Corn and Soybean Output Boosts World Exports and Stocks

	Year [1]	Production	Exports [2]	Consumption [3]	Carryover
			Million tons		
Wheat	1993/94	560.5	98.6	565.4	143.3
	1994/95	542.0	98.0	560.4	124.9
Corn	1993/94	467.9	55.8	503.4	69.3
	1994/95	538.2	59.2	525.4	82.0
Barley	1993/94	169.1	17.3	168.2	37.6
	1994/95	163.8	16.7	167.9	33.5
Rice	1993/94	350.4	15.4	354.9	50.2
	1994/95	350.2	15.1	357.8	42.6
Oilseeds	1993/94	225.0	36.6	184.8	19.4
	1994/95	245.5	39.2	194.3	26.5
Soybeans	1993/94	115.3	27.6	98.5	16.7
	1994/95	127.8	29.5	102.3	22.2
Soybean meal	1993/94	78.1	28.4	77.9	3.9
	1994/95	81.0	26.7	81.0	3.7
Soybean oil	1993/94	17.7	4.4	18.0	1.4
	1994/95	18.6	4.3	18.5	1.5
			Million bales		
Cotton	1993/94	76.1	26.9	84.7	29.7
	1994/95	85.8	27.8	86.7	28.5

[1] Marketing years are: wheat, July-June; coarse grains, October-September; oilseeds, soybeans, meal, and oil, local marketing years except Brazil and Argentina adjusted to October-September trade; cotton, August-July. [2] Rice trade is for the second calendar year. All trade now has been inflated to include trade among the countries of the former Soviet Union. In addition, rice trade, like other grain trade, excludes intra-EC trade. Oilseed and cotton trade, however, still include intra-EC trade. [3] Crush only for soybeans and oilseeds.

Global corn exports are projected 6 percent above 1993/94. U.S. exports will account for all of the gain. Boosted by a larger crop and declining prices, U.S. exports are projected at 36.5 million tons, 14 percent above 1993/94. U.S. share of world trade is expected to reach 61.7 percent, compared with 1993/94's low of 57.3 percent.

Higher corn imports are projected by Mexico, as the NAFTA agreement eases restrictions on corn imports. Import gains are also expected in South Korea as corn prices dip to levels competitive with feed wheat.

Japan's larger rice crop means slightly lower 1995 world rice trade. Despite the projected drop of nearly 2 million tons in rice imports by Japan, world trade is expected to drop only 2 percent, to 15.1 million tons. Imports to countries other than Japan are projected 1.6 million tons above 1994. The largest gains are expected in Iran, Iraq, Brazil, and Nigeria.

With larger supplies from the U.S., Thailand, and Burma, rice prices have plummeted. Favorable weather conditions prompted an increase in Thailand's crop prospects to 13.2 million tons, up 1 million from 1993/94. Exports from Thailand in 1995 are likely to reach 4.5 million, up from 4.1 million in 1994. Vietnam's exports are projected at 2.1 million tons, unchanged from the 1994 record.

With larger U.S. supplies in 1995, the premium of U.S. over Thai prices should narrow, enlarging U.S. exports. Competitive U.S. prices, combined with a slight decline in foreign production, are expected to increase U.S. exports to 2.7 million tons. U.S. market share is forecast up 1 percent to 18 percent.

Record U.S. soybean supplies will mean larger exports of soybeans and soybean meal. U.S. exports of beans and meal are projected up nearly 15 and 4 percent above 1993/94 to 18.1 and 4.8 million tons.

Increasing demand for soybeans rather than soybean meal in Europe is expected to support a rebound in U.S. soybean export market share to 61.5 percent. South America's 1994/95 production is preliminarily projected at 38 million tons, virtually unchanged from the 1993/94 record. Considerable uncertainty exists because this crop is not planted until October.

Strong competition from the large U.S. crop will likely drop South American soybean exports to 8.2 million tons, nearly 5 percent below 1993/94. But due to larger expected crush in both Brazil and Argentina in 1994/95, South America's soybean meal exports are projected at another record, fractionally above the 1993/94 level of 16.1 million tons.

With larger crush in South America and stronger competition for soybean meal and oil, the U.S. share of the soybean meal market is expected to rise only marginally from the 1993/94 low. However, sharply higher soybean oil demand by China is aiding U.S. soybean oil export prospects. USDA now expects U.S. soybean oil exports to equal 1993/94's 640,000 tons.

World cotton production and consumption are up in 1994/95. Yields in 1993/94 were among the lowest in a decade. With crop conditions in major foreign producing countries returning closer to average, and with area increasing in response to higher prices, world production will be up nearly 10 million bales in 1994/95. Higher production in China, India, and Pakistan is boosting foreign cotton output 11 percent above a year earlier.

Increased consumption in producing countries and strengthening economies in Eastern Europe and Japan will boost global use above 1989's record of nearly 86.6 million bales. World consumption is projected to exceed production, forcing

down stocks and suggesting continued upward price pressure. Despite gains in production and consumption, 1994/95 world trade is likely to edge up only slightly. Large U.S. supplies are likely to boost U.S. exports 300,000 bales to 7.3 million.
[Carol Whitton (202) 219-0825]

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Specialty Crops Overview

A larger harvest this fall is expected for a wide range of fruit and vegetable crops. Strong export demand is anticipated for most of these crops, including apples and dry beans. In contrast, tobacco production and prices this year are projected down from last year, with exports expected to flatten or continue decreasing into 1995. Production forecasts for these commodities were released in USDA's August Crop Production *report.*

U.S. fresh apple production and exports are expected higher in 1994. Increased production in western states, principally Washington, is expected to offset the smaller crop projected for eastern states. Frigid winter temperatures, spring frosts, and summer hail limited apple production in many eastern states. Harvest began in July and will continue through November. Strong domestic and export demand are expected to continue through the end of the year.

- U.S. apple production is projected at 10.8 billion pounds in 1994, up 1 percent from last year.
- Apple production in the West—65 percent of U.S. output—is expected 6 percent higher, and output in the East is projected down 6 percent. Washington State production, which accounts for over half of U.S. output, is expected up 10 percent.
- Over half of the crop will go into storage for sale later in the marketing year.

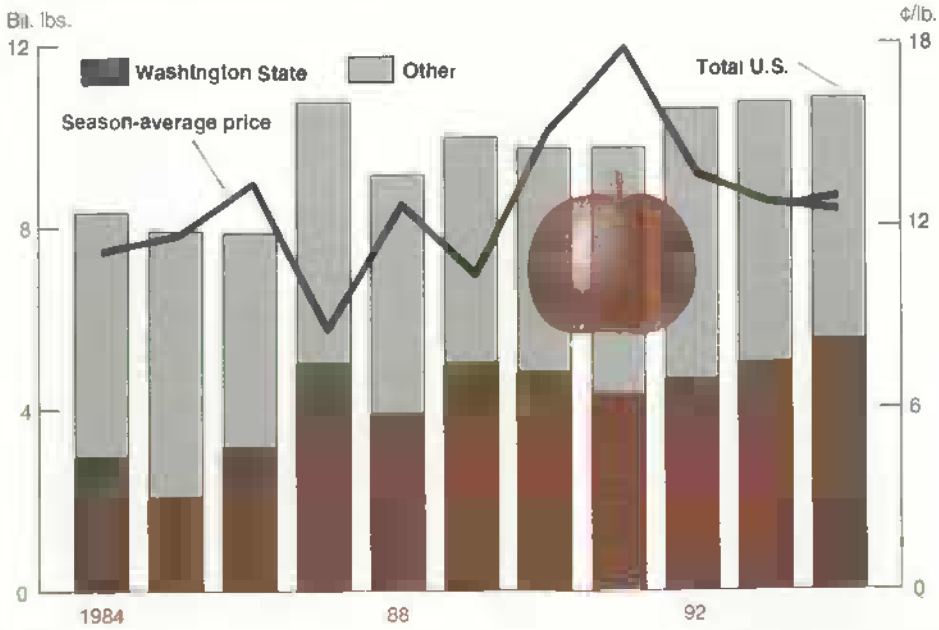
U.S. fresh apple exports in 1994/95 are projected to be up from last year, following a trend since the mid-1980's. U.S. apple exports have topped 1 billion pounds a year since 1991—about 20 percent of U.S. fresh output—up from half a billion (about 10 percent of output) in 1983. Mexico, Canada, Taiwan, and Hong Kong claimed two-thirds of U.S. fresh apple exports last year, and are shaping up as the top export markets again this marketing season.

Larger dry bean exports may temper price declines in 1994/95. The 1994 dry bean harvest is forecast much larger than last year's rain- and flood-damaged crop, and prices will likely drop for most varieties when harvest begins this fall. But stocks of dry beans are low enough to keep prices from falling as far as they have in other years. Export demand is also expected to remain high enough to cushion the expected fall in prices.

Increased acreage and above-average yields are both behind the higher dry bean output expected this fall. Last year's weather problems pushed up prices and provided growers with a strong incentive to increase acreage. Good weather in most growing areas accounts for the above-average yield forecast, although parts of Michigan and the Red River Valley (in North Dakota and Minnesota) are likely to abandon some acreage following heavy rains earlier in the season.

- Dry bean production is estimated to be 28 million cwt in 1994/95, up 28 percent from 1993.
- Production in North Dakota—primarily pinto and navy beans—is forecast at 5.9 million cwt, nearly double last year.

Washington State's Apple Production Continues To Expand



- Output in Michigan (mostly navy, black, and cranberry beans) is expected to be 4 million cwt, down 35 percent from last year.

- Dry bean output in California, which produces mostly lima, kidney, and blackeye beans, is up 29 percent.

U.S. exports of dry beans are expected to increase in 1994, following a 43-percent increase last year. Exports were up about 2 percent through the first half of this year, and higher production this fall could put the annual total 3-7 percent higher than in 1993. Mexico, the United Kingdom, the Netherlands, and Japan are the major export markets for U.S. dry beans, accounting for half of export sales last year. The U.S. ranks second behind China in dry bean exports, and accounts for 13 percent of world trade.

U.S. sugarbeet and sugarcane crops are expected larger. This year's larger beet crop results from both expanded acreage and improved yields, especially in Minnesota and North Dakota, where last year's crop was damaged by floods. In the South, cane growers are likely to harvest about the same area as last year, but slightly higher yields may boost production.

- U.S. sugarbeet production is forecast at 29.2 million tons in 1994, up 11 percent from last year, while sugarcane output is expected to reach 31.4 million tons, up 1 percent.

- Sugarbeet output in the top three producing states—Minnesota, North Dakota, and Idaho—is forecast up 22 percent.

- Sugarcane production in Florida and Louisiana, the major producing states, is forecast up fractionally in 1994, to 24.2 million tons.

On August 8, USDA announced the current U.S. sugar tariff-rate quota period to be August 1, 1994 to September 30, 1995. The decision set the import quota for the period at 1.46 million tons. It also shortened the prior quota period by 2 months. The prior period, which was scheduled to end September 30, 1994, ended July 31. The previous quota period, covering fiscal years 1993 and 1994, had a quota set at 2.5 million tons, equal to 1.25 million tons per year. These changes are expected to increase the supply of sugar in the current period about 200,000 tons.

Tobacco harvest is smaller in 1994, prices down. U.S. tobacco production is forecast at 1.56 billion pounds this year, down 3.4 percent from 1993. Flue-cured production is down 3 percent and burley down 5 percent. Yields are up 5 percent, partially offsetting an 8-percent reduction in total acreage.

Flue-cured tobacco auction markets opened July 19. Flue-cured is the major tobacco grown for cigarette use in the U.S. and accounts for about 55 percent of total production. Prices are averaging about 5 percent below a year earlier, and over 20 percent of the leaf is being placed in the Federal loan program. Demand is weak due to declining U.S. cigarette production and smaller leaf exports.

U.S. tobacco exports are expected to flatten or continue decreasing. Key U.S. leaf export markets include Japan, Germany, the Netherlands, and Turkey. Cigarette exports may also flatten or grow only modestly in the next few years. The major factor holding down U.S. exports is the higher price of U.S. tobacco compared with competitors such as Brazil, Zimbabwe, and Malawi. In addition, declining consumption of cigarettes in key markets and ample world supplies of leaf are also curbing leaf exports.
[John Love (202) 219-0388]

For further information, contact: Dennis Shields, and Diane Bertelsen, fruit and tree nuts; Gary Lucier, vegetables; Peter Buzzanell, sweeteners; Doyle Johnson, greenhouse/nursery; Verner Grise, tobacco (202) 219-0882. David Harvey, aquaculture; Lewrene Glaser, industrial crops (202) 219-0085. AO

Livestock, Dairy & Poultry Overview

A slowdown from a year earlier in beef production increases is expected over the next several quarters. July 1 cattle inventories indicate a continued modest herd expansion. Heavier slaughter weights are helping push beef production above year-earlier levels. Cattle prices are expected to rise seasonally in the fourth quarter, but abundant supplies of beef are still forecast to hold prices below last year's level.

Returns to pork producers are likely to be near or below breakeven during the second half of 1994, with increased pork supplies putting downward pressure on hog prices. Relatively high broiler prices and lower feed prices compared with a year ago are keeping broiler producers' net returns strong, laying the foundation for continued production growth. Net returns in the turkey and egg sectors are improving from first-half 1994 and are expected to be sufficient to encourage increased production next year.

Cattle herds and beef production will expand modestly. The number of cattle and calves on U.S. farms and ranches on July 1 is up 2 percent from a year ago. Beef cows increased 3 percent, dominating the 2-percent increase in total cows and heifers that calved, while the number of dairy cows was down 2 percent.

During the spring quarter, average fed cattle prices dropped 14 percent below a year earlier to average nearly $69 per cwt for Choice steers, as the market adjusted to near-record beef production and large supplies of competing meats. Despite the drop in cattle prices, the present herd expansion should maintain its impetus for several years.

The number of cattle on feed was down 5 percent on July 1 from a year earlier in the 13 quarterly reporting states. Feeder cattle supplies outside feedlots, however,

were over 3 percent above a year earlier as many producers held their cattle on pasture, awaiting higher prices. A mid-July recovery in beef prices and record-high slaughter weights led feedlot operators to increase their marketings 2 percent over the previous year, inducing a decline in on-feed inventories. Despite the decline in the mid-year on-feed inventory, fed cattle marketings will need to remain between 660,000 to 680,000 head per week through much of August to keep marketings on schedule in the fall.

Year-to-year production increases are expected to slow over the next several quarters, though gains will remain above last year's. Improved fed cattle prices and declining grain prices will encourage larger feedlot placements. Many of the feeder cattle entering feedlots later this summer and fall will be heavier, fleshy cattle. The current record-high slaughter weights will push 1995 beef production up 2 percent to 24.6 billion pounds.

Retail beef prices continue to decline. Prices in June and July were the lowest since August 1992. In the fall, with beef production decreasing seasonally, retail prices should rise but will average about 1 percent below year-earlier levels.

Record pork production is pressuring prices downward. Commercial pork production continues to edge up, with hog slaughter forecast to increase nearly 3 percent this summer from a year earlier. Dressed weights are averaging about 2 pounds heavier, and combined with increased slaughter will push 1994 production to 17.4 billion pounds. U.S. inventory of all hogs and pigs reached a 14-year record high of 60.1 million head as of June 1. Pork production in 1995 is forecast at 18.4 billion pounds, with commercial slaughter of 100 million head surpassing the 1980 record of just over 96 million.

Despite prospects for sharply lower feed costs this fall, producers' profits are not expected to follow, as lower cash hog prices likely will keep returns near or below breakeven on total costs through the fall. Larger than expected pork production has held hog prices consistently below year-earlier levels since March. Third-quarter hog prices are $5 per cwt below a year earlier, while increasing pork production and large supplies of competing meats will likely keep hog prices in the low $40's per cwt for the next 18 months.

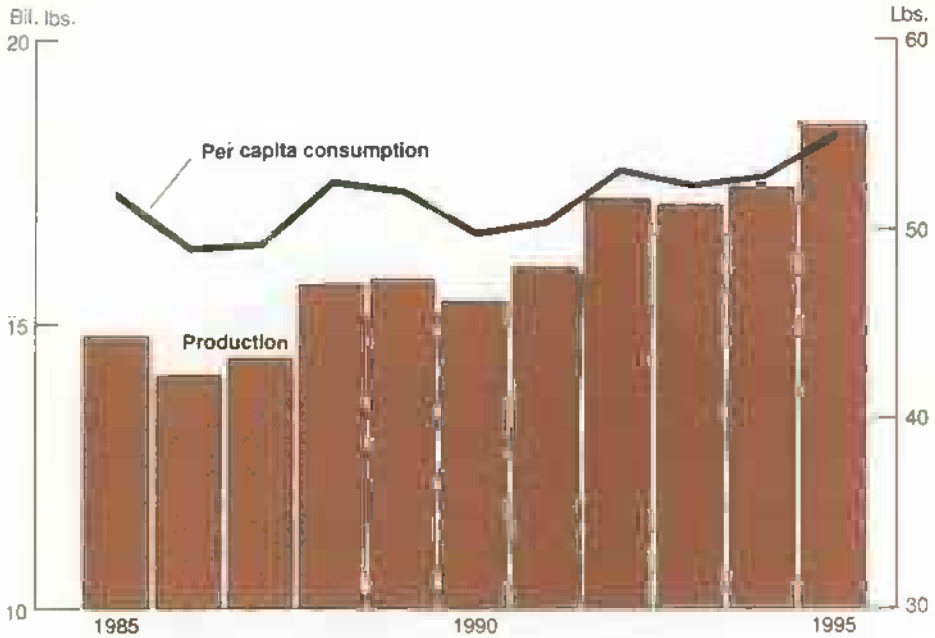
Per capita pork consumption is expected to increase less than a pound in 1994 (retail basis), while pork supplies rise and retail pork prices average about the same as last year. An increase of another 2 pounds to 55 pounds per capita is expected in 1995, as supplies continue to increase and pork prices average about 7 cents below this year's forecast.

Strong European pork supplies contributed to a nearly 21-percent increase in U.S. pork imports above a year earlier during January-June. Total U.S. imports this year may reach 795 million pounds, 7 percent above last year. Shipments from Denmark and Canada showed the greatest growth during the first 6 months of the year, up over 52 and 13 percent from year-earlier levels. Imports from both countries should taper off during the second half of 1994 as domestic pork production increases seasonally.

Boosted by strong sales to Russia and Mexico, U.S. pork exports during January-June were about 17 percent above a year earlier. Lower U.S. pork prices and weakness of the dollar relative to the yen kept U.S. pork more attractive to Japanese consumers, evidenced by a slight increase in imports of U.S. pork during January through June. Growth in the Japanese market likely will be limited to fresh-product shipments. U.S. frozen pork exports to Japan will continue to face stiff competition from heavy Japanese beef imports and large competing supplies of frozen pork from Denmark.

Record domestic broiler use and exports continue. Whole-broiler prices continued relatively strong this summer, reflecting buying for cookouts, restaurants, fast-food establishments, and exports. Rising domestic use is pushing per capita consumption of broilers to a record 70 pounds in 1994, with popularity of rotisserie chicken contributing to increased consumption. Continued strong broiler consumption in 1995 is forecast to boost per capita use to 73 pounds.

Pork Production Hits Record, Consumption Continues Climb



1994 estimate. 1995 forecast.

Agricultural Economy

U.S. Livestock & Poultry Products–Market Outlook at a Glance

		Beginning stocks	Production	Imports	Total supply	Exports	Ending stocks	Consumption Total	Consumption Per capita	Primary market price
					Million lbs.			*Lbs.*		*$/cwt*
Beef	1994	529	24,045	2,385	26,959	1,480	475	25,004	67.1	69-71
	1995	475	24,557	2,450	27,482	1,545	450	25,487	67.7	66-72
Pork	1994	359	17,430	795	18,584	445	375	17,764	52.8	43-44
	1995	375	18,458	675	19,508	465	375	18,668	55.0	38-42
										¢/lb
Broilers*	1994	358	23,284	0	23,642	2,450	400	20,792	70.1	56-58
	1995	400	24,365	0	24,765	2,555	390	21,820	72.8	52-56
Turkeys	1994	249	4,928	0	5,177	280	265	4,632	17.8	63-64
	1995	265	5,047	0	5,312	295	265	4,752	18.0	59-63
					Million doz.				*No.*	*¢/doz.*
Eggs**	1994	10.7	6,070.8	4.5	6,086.0	176.2	12.0	5,098.1	234.5	68-69
	1995	12.0	6,115.0	4.5	6,131.5	165.0	12.0	5,124.5	233.4	64-70

Based on August 11, 1994 World Agricultural Supply and Demand Estimates.
* Cold storage stocks previously classified as "other chicken" are now included with broiler stocks. **Total consumption does not include eggs used for hatching.
See tables 10 and 11 for complete definition of terms.

Exports to the Pacific Rim, Russia, and Mexico, continue at a record pace, up 53 percent during January-June from this period last year. U.S. broiler exports are projected to reach a record 2.5 billion pounds in 1994, about 10 percent of total production.

Exports to Russia and Hong Kong, which consist almost entirely of low-priced parts, accounted for about 50 percent of U.S. broiler exports in January-June, up from 27 percent a year earlier. Poultry meat production has declined in Russia, and demand for imports, particularly in the larger cities, is very strong. However, exports to Russia likely dropped off substantially during the summer months following imposition of import tariffs on July 1.

The outlook for low-priced broiler parts sales to Mexico has been boosted by Mexico's recent increase in the NAFTA tariff rate quotas (TRQ) on its poultry meat imports for 1994. Exports to Mexico during January-June were up 28 percent over the period last year. Continued strong international demand in 1995 is likely to boost total broiler exports by the U.S. in 1995 to around 2.6 billion pounds, 4 percent above 1994.

Strong domestic demand and increased exports will underpin prices and stimulate increased production in 1995. Lower feed costs will keep broiler producers' net returns strong, encouraging continued growth. U.S. broiler production will expand an additional 4-5 percent in 1995 compared with nearly 6 percent in 1994.

Returns should be sufficient to encourage turkey production growth in 1995. Turkey production is projected to rise 2-3 percent in 1995, compared with this year's estimated increase of about 3 percent. With wholesale turkey prices rising seasonally during the third quarter of 1994 and feed prices easing from relatively high levels, returns to producers are rising.

Turkey prices have been above a year earlier through the third quarter, with robust export growth, a stronger economy, and moderate stocks all contributing factors. Turkey exports in January-June surged by 41 percent over last year, with strong demand from Mexico reinforced by unusually high imports by both Poland and Russia.

During the fourth quarter, turkey prices will continue to rise seasonally but may average slightly below a year earlier. Feed prices are expected to average below a year earlier as well, so returns will likely be near last year's average of 6 cents per pound. Overall returns are expected to average slightly above breakeven for the year, but will likely be lower than the 1993 average. However, returns should be sufficient to encourage production growth in 1995.

Egg production growth is slowing. Third-quarter and annual table-egg production will be about 1 percent larger than in 1993. Production increases are expected to slow in the fourth quarter and be up less than 1 percent from last year's production level. Production during 1995 is also expected to be up only fractionally from this year's forecast.

Lower prices are inducing stronger egg use by consumers, exporters, and manufacturers of egg products. Manufacturers processed 13 percent more eggs in the first half of the year, and table-egg exports were 20 percent above last year, with 62 percent destined for Hong Kong.

Exports of egg products increased 30 percent, and sales to Japan and Canada were particularly strong. Wholesale prices averaged 7 cents below last year for the first half of 1994 and are likely to average 1-2 cents lower in the third quarter.

Retail egg sales in June and July were about 6 percent above last year in a 10-city survey conducted by USDA's Agricultural Marketing Service. Retail prices were 5 cents lower for the first half of 1994 and are forecast 2-4 cents lower for the third quarter.

Prices are expected to strengthen as production increases slow. Wholesale egg prices have improved to breakeven levels in the third quarter after the second quarter's below-breakeven performance. Net returns to egg producers will average 5-8 cents per dozen in the fourth quarter and about 3 cents per dozen for all of 1994. Wholesale egg prices in 1995 are likely to average 1-2 cents below this year's expected average of about 69 cents per dozen.

The market is tightening for butter. Milkfat production during April-June was modestly above a year earlier. However, butter production was about the same because most of the production increase was absorbed by other dairy products. Meanwhile, commercial butter stocks, while relatively low, were above last year.

Commercial use of butter during January-June rose 13 percent from a year earlier and 20 percent from 2 years earlier. The lower butter prices of recent years continue to boost use. Early-summer use of fresh cream for ice cream and other products was reportedly brisk, further tightening butter markets and strengthening butter prices to 8-10 cents above the winter low. The industry bought butter from government stocks to meet market needs.

Relatively tight markets for butter and cream likely will persist through Christmas, although some seasonal easing should occur in September-October. Prices will reflect the market tightness, but the price impact will be mitigated by the availability of modestly priced government butter stocks.

Ahead in September are more milkfat production, lower ice cream sales, and more cream released by fluid milk processors. These seasonal forces are not expected to alter conditions significantly. Butter prices in most of the country are expected to remain above the support purchase price until needs are met for the yearend holidays.

For further information, contact: Agnes Perez, coordinator; Ron Gustafson, cattle; Steve Reed, hogs; Lee Christensen, Larry Witucki, and Milton Madison, poultry; Jim Miller and Sara Short, dairy. All are at (202) 501-6779.

AO

September Releases—USDA's Agricultural Statistics Board

The following reports are issued 3 p.m. ET on the dates shown.

September

1 *Walnut Production*
2 *Egg Products*
Poultry Slaughter
6 *Crop Progress**
Dairy Products
7 *Broiler Hatchery*
12 *Cotton Ginnings*
Crop Production
*Crop Progress**
14 *Broiler Hatchery*
Turkey Hatchery
15 *Milk Production*
16 *Cattle on Feed*
Vegetables
19 *Crop Progress**
21 *Broiler Hatchery*
Catfish Processing
22 *Cold Storage*
Hop Stocks
Potatoes
23 *Chickens and Eggs*
Citrus Fruits
Livestock Slaughter
26 *Cotton Ginnings*
*Crop Progress**
27 *Peanut Stocks and Processing*
28 *Broiler Hatchery*
29 *Grain Stocks*
Hogs and Pigs
Small Grains, Summary
30 *Agricultural Prices*
Trout Production

*After 4 p.m.

Agricultural Economy

News Watch . . .

Interest Rates Continue Rising

The Federal Reserve raised short-term interest rates in mid-August for the fifth time this year. Two key short-term rates were raised by half a percentage point each, and major banks raised their prime rates in response.

While interest rate increases continue to be passed on to borrowers, including farmers, interest rates on farm loans are expected to rise to a lesser degree this year than general economy market rates (*AO* August 1994). One reason is that loans by the Farm Credit System—one of the top farm sector lenders—are variable rate loans which are repriced administratively rather than by a market-determined index. Interest rate increases on these loans may be limited because borrowers are also shareholders.

Speedup on Pesticide Alternatives

An agreement signed in mid-August by USDA and the U.S. Environmental Protection Agency (EPA) is aimed at reducing pesticide risks to human health and the environment while maintaining economically sound agricultural production. The agreement calls for EPA, within 6 months, to list pesticides that are likely to be restricted or taken off the market, and requires USDA to determine whether any substitute pesticide or other pest control methods can be found. The agreement includes other provisions which will:

- increase research on alternative pest control techniques;
- establish practical avenues for transfer of new pest control management tools to the nation's agricultural producers; and
- expedite review of alternative pest control methods requiring EPA registration, which will be needed by producers who lack pest management tools as a result of EPA action.

Although this agreement also emphasizes biological and other nonchemical methods of pest control, development of chemical alternatives is allowed if the risks that led to regulatory action are reduced. A recent study by USDA's Economic Research Service found that only a few specific biological controls have been widely adopted by U.S. growers (*AO* May 1994).

"Water 2000"

Running water in all rural homes by the year 2000 is the goal of a strategic national plan announced by USDA. More than a half million rural households in the U.S. have incomplete plumbing, according to USDA statistics. The proportion of occupied housing units without complete plumbing is highest in Alaska (20.2 percent), followed by New Mexico (7.6 percent), Kentucky (4.8 percent), and Virginia (4.4 percent).

Lack of complete plumbing is a symptom of the poverty that exists in many rural households. Rural Americans are more likely to be poor than their urban counterparts—51 percent of rural residents fall into the country's two poorest quintiles compared with 37 percent of the metro population—and the rural-urban gap is growing (*AO* January/February 1994). A larger percentage of rural than urban children also live near or below the poverty level.

Corn Into Cutlery

USDA and industry researchers have lowered the cost of producing biodegradable plastic cutlery by incorporating more cornstarch into the formula. The formula now contains 25 percent cornstarch, along with environmentally friendly additives and a biodegradable polyester. And the researchers, collaborating under an Agricultural Research Service cooperative agreement, hope to boost the cornstarch content of these biodegradable plastic spoons, forks, and knives to 95 percent over the next several years.

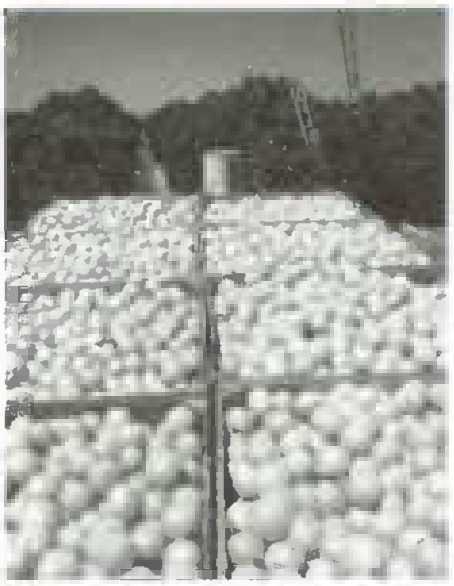
Cornstarch, which is currently less expensive than starch from other sources, has captured most of the industrial starch market (*AO* October 1993). While fuel alcohol continues to be the dominant industrial use of corn, the industrial markets for cornstarch are growing. Along with its use in biodegradable plastic, cornstarch is also being used to produce natural adhesives, primarily for the paper and paperboard industry.

Aquaculture Legislation

Legislation introduced in Congress in August would establish an aquaculture development and research program. The bills, H.R. 4676 and 4744, also call for the Secretary of Agriculture to coordinate and implement a national aquaculture policy for the private sector.

While the global commercial fish catch has stagnated during the 1990's, the output of aquaculture—farm-raised fish and shellfish—has continued to rise (*AO* May 1993). Aquaculture already accounts for approximately 25 percent of world shrimp and salmon production and consumption. As aquaculture productivity increases, and as harvesting limits are reached and more curbs are placed on the wild catch, aquaculture has the potential to fill the gap (*AO* June 1994). AO

Commodity Spotlight



Marketing Strategies For Navel Oranges

Shipments and prices of California and Arizona navel oranges during this season hint at patterns that may emerge with termination of the Federal marketing order this summer eliminating all shipping restrictions. Although a marketing order was in effect, the first full marketing season without weekly shipment restrictions authorized for navel oranges shipped in the fresh market ended in early July. If the price and shipment patterns seen in the 1993/94 season are realized in the long run, growers and handlers will likely alter their marketing strategies during the navel orange season.

Federal marketing orders for citrus had authorized agricultural producers to influence such factors as supply and quality. Marketing orders were initiated by the industry, approved by the Secretary of Agriculture, and voted on by producers. Once approved, a marketing order was mandatory.

The Federal marketing order for California and Arizona navel oranges was terminated this summer primarily because the industry failed to arrive at a consensus on proposed changes to the program. Numerous violations of the marketing order have occurred in recent years, and growers had become deeply divided over the efficacy of the program and the direction it should take in the future.

The navel orange marketing order authorized the use of weekly volume restrictions, called prorates, on the amount of fresh fruit that handlers could ship in the U.S. domestic market. For navel oranges, weekly prorate restrictions were usually adopted early in the season—which begins in late October—and continued until at least 75 percent of the crop was marketed. The lifting of volume regulations before 75 percent was reached had occurred only three times since the order was established in 1954/55.

California and Arizona navel oranges accounted for about 28 percent of the U.S. navel orange crop in 1992/93, and almost 82 percent of production for the fresh navel market. In 1992/93, there were about 117,000 bearing acres of navel oranges in California and Arizona. The farm value of the crop delivered to the packing houses was almost $282 million.

While California and Arizona navel oranges are primarily grown for the fresh market, fruit that does not meet fresh standards goes into juice and other processed products. Unlike noncitrus fruit, navel oranges can be left on the tree for an extended time after reaching maturity until the decision is made to market the fruit.

Shipments & Prices Altered in 1993/94

Shipments and prices of navel oranges during the unregulated 1993/94 season show major deviations from the patterns of shipment and price indexes for the regulated seasons from 1985/86 to 1992/93 (excluding the freeze-damaged 1990/91 season). Seasonal patterns were measured by indexes developed from weekly shipment and f.o.b. price data obtained from the Navel Orange Administrative Committee.

Weekly indexes were estimated, with shipments and price for each week of each season expressed as a percent of the season's total shipments and its season-average price. Percentages corresponding to each week of the year were averaged over seven seasons from 1985/86 to 1992/93 to yield an index for every week. This index, calculated for all weeks in the year, identified the historical seasonal patterns.

Historically, shipments increase rapidly from week to week once a season begins in late October, dipping sharply after the Christmas holiday season, and then recovering and remaining strong through most of April. During the last 6 or 7 weeks of the season, shipments decline sharply as fruit supplies dwindle.

Compared with the historical pattern, the proportion of the crop shipped each week in 1993/94 exceeded the normal proportion shipped for the corresponding week, except during the dip after the Christmas holidays and during the last 5 to 6 weeks of the season. This indicates that without restrictions, growers would be expected to ship a larger proportion of the crop earlier in the marketing season.

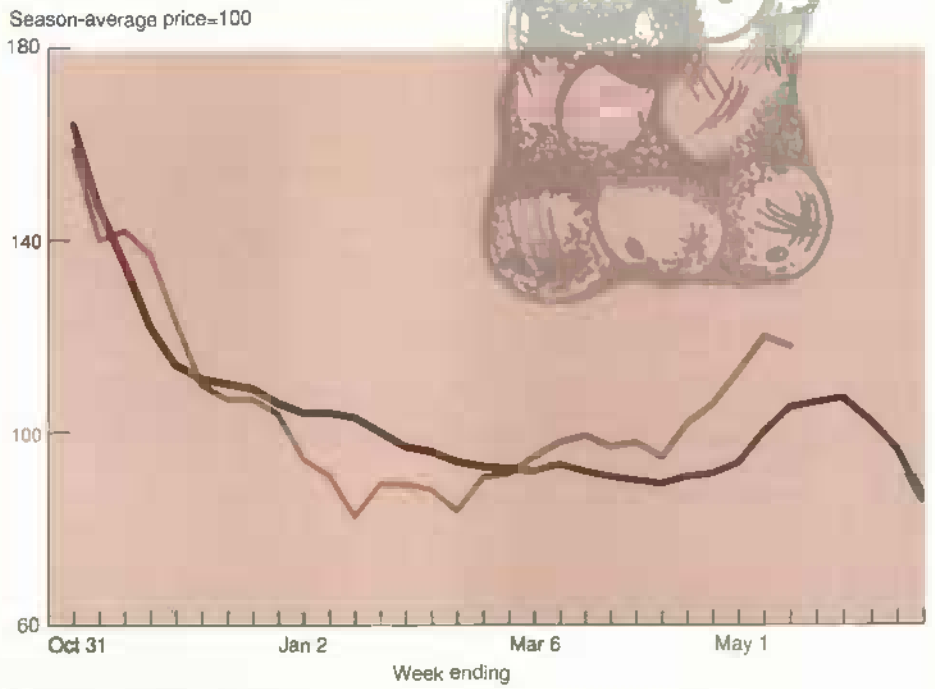
The effect on navel prices of eliminating prorate restrictions is most evident when contrasting the unregulated 1993/94 seasonal price pattern with the regulated historical pattern. Prices typically begin the season relatively high, then fall rapidly as the fruit matures and increasing supplies are available for market. Such was the case both historically and in 1993/94.

Historically, navel prices continued declining until late April or early May when the orange harvest tapered off. The rise in price near the end of the marketing season usually occurred after prorate restrictions were lifted and supplies dwindled. In contrast, 1993/94 prices declined sharply only until mid-January, then generally rose rather than following the historical decline during the heavy shipping season from early January to early May.

Commodity Spotlight

Without Restrictions, More Oranges Are Shipped Early In the Season. . .

. . . and Prices Are Higher Late in the Season



Marketing season October-June.
* Index for 1985/86 to 1992/93 seasons with marketing orders in effect; excludes 1990/91 season of freeze damage. Shipments index: 7-year average of weekly share of season's total shipments. **Price index:** 7-year average of weekly price index with season average at 100.

Several key factors will affect growers' timing of harvest during the marketing season without prorate restrictions in place. First, oranges reach full size about 20 weeks into the season, so growers may have an economic incentive to delay harvest to obtain the higher yields.

Second, a grower's harvesting decision may be influenced by variation over the season in the fresh pack-out rate (percent of fruit harvested that meets fresh standards), which typically peaks at around 85 percent about 10 weeks into the season, then falls to near 50 percent by season's end. Other things being equal, relatively low pack-out rates early and late in the season discourage growers from harvesting their fruit during those periods.

Also, risk and the opportunity cost of money affect marketing decisions during the season. With identical price expectations each week, growers would harvest and market fruit early rather than late. Leaving fruit on trees subjects growers to the possibility of crop loss from adverse weather and pests, and foregone interest on money received from an early harvest.

Under the Federal marketing order regulations, with prices expected to decline until nearly the end of the season, the best marketing strategy was to ship as much fruit as possible early in the season. Delaying the harvest would result in selling fruit at lower prices. But shipments were limited by the prorate restrictions.

The new marketing strategy for navel oranges is likely to shift to one where growers decide whether to harvest and market the fruit as soon as it matures or to let it remain on the tree until prices rise later in the season. The new strategy will be more complex than just harvesting the maximum amount of fruit allowed under prorate restrictions.

Without prorate restrictions, the seasonal shipment and price patterns would be expected to correspond more closely with the 1993/94 patterns. Seasonal prices would be driven lower early in the season as the crop reaches full maturity and growers and handlers expand shipments

Commodity Spotlight

in an effort to obtain the higher early-season prices. This would increase the volume shipped, and prices would decline until grower price expectations shifted from lower to higher prices later in the season.

Growers would delay harvest only if they expected higher prices later in the season. And generally, prices would need to increase enough through the season to reward growers and handlers for delaying the harvest and incurring the added risk of weather and/or pest losses, lower pack-out rates, and foregone interest on delayed crop sales.
[Boyd M. Buxton (202) 219-0885] AO

Upcoming Reports from USDA's Economic Research Service

The following reports or summaries will be issued at 3 p.m. ET on the release dates shown.

September

7 *Agricultural Income and Finance**
13 *Cotton and Wool Update*
14 *Feed Update*
Oil Crops Update
15 *Tobacco**
*Europe**
19 *Sugar and Sweeteners**
20 *Agricultural Outlook**
22 *Livestock, Dairy and Poultry*
U.S. Agricultural Trade Update
28 *Fruit and Tree Nuts**

*Release of summary

World Agriculture & Trade


Kathy Doherty, CARE

Rwanda & Africa's Fragile Food Systems

The crisis in Rwanda reflects the problems facing many African countries where diets are barely adequate and a single event such as a political disruption or drought can overwhelm a fragile food supply system. Sub-Saharan Africa's vulnerability to food supply shocks is likely to become more acute during the next decade without efforts to overcome continually declining food consumption and incomes.

The large-scale displacement of the people of Rwanda in the face of civil war has resulted in a huge food deficit which the United Nations Food and Agriculture Organization (FAO) estimates at more than 1 million tons for the remainder of 1994 and early 1995. Most of the fields have been abandoned as the population fled to the western part of the country or into other countries, principally Zaire.

Rwanda is an example of an African country where good soils and adequate rainfall usually allow food production that approaches self-sufficiency. But before the outbreak of the present crisis, Rwanda, which produces food during two major cropping seasons, was already facing a critical food supply situation. Drought throughout the entire country, aggravated by displacement of populations in the north, reduced the 1994 first-season (September-January) total harvest of dry beans and peas, corn, sorghum, potatoes, and cassava by 30 percent from the previous year.

The second-season crop, grown from February to June, generally accounts for more than half of total grain production. A mission from FAO found second-season crops in Rwanda to be in good condition and ready for harvesting as of early July. These crops, however, will deteriorate if not harvested shortly, with the arrival of rains speeding the process. Bananas will rot in the fields, while birds will consume the grain. Cassava is the only crop that can be left in the fields.

The prospect of delaying land preparation, which should begin in August, for the early 1995 first-season crop, implies huge food shortages through 1995. A substantial shortfall in Rwanda's staple crops of beans, bananas, roots, and tubers will necessitate increased imports of grain and beans.

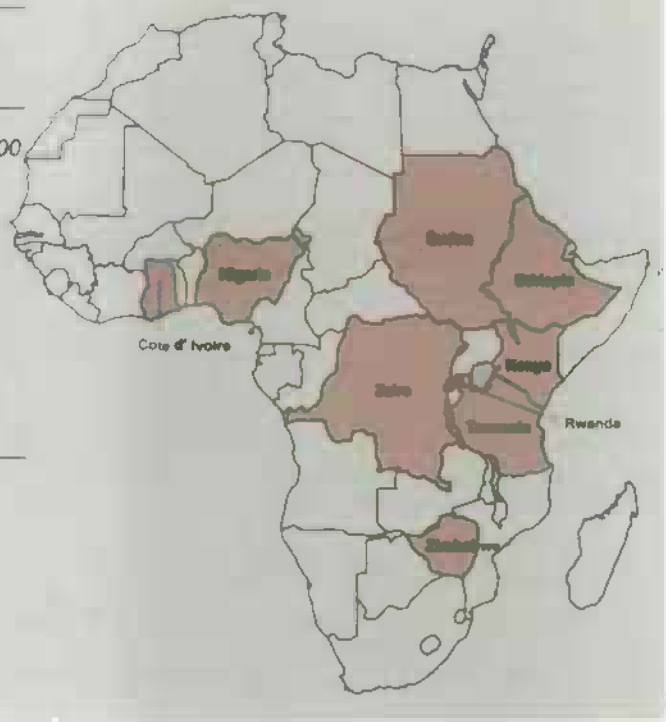
The current crisis was ignited in April when the president of the Hutu-led government was killed in a plane crash. The Hutus are Rwanda's majority tribe, accounting for 85 percent of the population. Hutus blamed the Tutsi rebel group—the Rwandan Patriotic Front (RPF)—and Hutu militiamen began massacring Tutsis and moderate Hutus. A reported 500,000 people died in these massacres, and 300,000 Tutsis fled to Tanzania. The RPF launched a war in response to the killings and declared victory in late July. With the political tables turning, more than 1 million Hutus fled into Zaire before the Tutsis' final offensive.

These refugees poured into Zaire so quickly and in such vast numbers that relief organizations were overwhelmed. With inadequate food and water supplies, deaths from disease and starvation are rampant. The United Nations estimated that in late July about 1,800 people a day

Sub-Saharan Africa:
Population Growth Outpaces Food Production in Many Low-Income Countries

Country	Population[1]	Per capita[1] GNP	Annual per capita GNP growth [2]	Per capita food output index [3]
	Million	*US$*	*Percent*	*1979-81=100*
Cote d' Ivoire	12.9	670	-4.7	86
Ethiopia	54.3	110	-1.9	80
Kenya	26.2	310	0.2	86
Nigeria	92.1	320	-0.4	128
Rwanda	8.2	250	-0.6	70
Sudan	28.3	—	-1.8	88
Tanzania	28.0	110	0	79
Zaire	39.1	—	-1.8	88
Zimbabwe	10.4	570	0.9	68

— = Not available
[1]1992 data. [2]Annual average 1980-92. [3]1993 data.
Sources: World Bank, United Nations Food and Agriculture Organization



were dying from cholera in the camps near Goma, Zaire. The donor community is responding with food and fresh water. A solution to the crisis would be for the Rwandans to return to their homes where they can produce their own food. However, security continues to be uncertain, and many fear retaliatory massacres.

Africa's Farm Systems Are Vulnerable

As in Rwanda, agriculture is the primary economic activity for about 70 percent of Africans, contributing on average more than 30 percent of gross domestic product. The strength of the agricultural sector is consequently a primary determinant of overall economic performance.

But African agriculture has performed poorly for more than two decades. Government policies, civil strife, deteriorating infrastructure, shortages of inputs, and environmental problems such as land degradation from overgrazing and cultivation of marginal land, have all contributed to the slow growth in agricultural production.

Confronted with declining per capita food output and the high variability of food production, African governments have, over the past two decades, intervened in production, consumption, and trade of agricultural products and inputs. Politically popular policies favoring urban consumers, such as subsidized prices or overvalued currencies, have reduced producer prices below world levels, often stifling agricultural production. Exchange rate policies supporting overvalued currencies make imports less expensive and exports less competitive, thus indirectly taxing farmers.

Between 1980 and 1990, average per capita agricultural output in Sub-Saharan Africa declined as population growth, estimated at 3 percent, exceeded the 2.5-percent growth in agricultural production. Lagging agricultural output and strong population growth are widening the gap between food production and food needs. Meanwhile, income growth is slowing as the International Monetary Fund and the World Bank have made austerity measures a requirement for international loans, causing economies to contract in the short term. Reduced government spending, as part of the austerity measures, has caused unemployment to rise.

At current rates of population growth, increasing the per capita food intake and modestly improving living standards would require agricultural production to grow 4 percent a year over the next 25 years. This rate could be attained only through major investments in agriculture, and it is not clear how such investment could be financed.

The political risks of allowing food shortages weigh heavily with African governments; consequently, food heads the list of import priorities in most countries. Growing food requirements have necessi-

tated increasing expenditures on food imports, crowding out the productive domestic investment spending needed to revitalize the economies of many African countries.

Food imports, mainly grains, accounted for 10-15 percent of total import value in Sub-Saharan Africa in the last two decades, compared with 10 percent in South Asia and 11 percent in Latin America. Declining resources available to enhance food production potential through larger investments in infrastructure and technology bode poorly for the long-term outlook for both agriculture and the economic health of the region.

With continued precariousness of the food supply in Sub-Saharan Africa, the proportion of the population that is chronically undernourished has changed little since the 1970's. But due to the high population growth rate, the number of malnourished people has increased from 130 million to 180 million, approximately 33 percent of the region's population.

The factors most directly influencing nutrition are food intake and health. Poverty, however, is the root cause of undernutrition, which primarily disadvantages households whose members cannot produce or purchase adequate food. In 1992, the region's average per capita income was 2 percent of the U.S. level. Incomes have fallen from $570 per capita in 1980 to $350 in 1992, leaving large numbers of people nutritionally vulnerable.

Rwanda is a catastrophic example of the vulnerability of African populations to adverse weather and civil strife. In Rwanda the population's nutritional status has severely deteriorated as a result of food production decline as well as civil strife. Children under 5 face high risks of extreme malnutrition without improvements in the food situation. Unless the displaced populations return to their farms in time to harvest crops and initiate fall land preparation, Rwandans will continue to be plagued by chronic malnutrition over the longer term, and only massive quantities of food aid can ameliorate the situation.

Policy Changes Target Ag Production

Since the mid-1980's, many countries in Sub-Saharan Africa have undertaken structural adjustment programs to address declining agricultural output, limited commercial import capacity, and stagnating economic growth. Some governments, for example, in an attempt to stimulate production, have tried to minimize their involvement in the agricultural sector. In Zimbabwe, the Grain Marketing Board formerly had a monopoly on grain sales, but its function now is simply to set the floor price for corn and manage exports and the grain reserve. Corn producers are now able to sell directly to consumers or processors.

In Cote d'Ivoire, the government agency that controls coffee and cocoa marketing has been slower to relinquish control, especially when world prices were very low. The recent devaluation of the CFA franc (a currency widely used in Francophone Africa), and higher world prices for coffee and cocoa, have allowed the government to raise producer prices. Beginning with the next marketing season in October, world price variation will be passed on to farmers.

While economic growth and financial stability have eluded most Sub-Saharan African countries, many current policy reforms are removing constraints that hindered economic growth in the past. However, additional reforms and civil stability are needed to prevent severe food deficits in the coming decades.

Unless production incentives and improved technologies boost agricultural production, and market reforms raise incomes, the long-term food gap in Sub-Saharan Africa is projected to increase to 20 million tons of grain by 2005, nearly four times current food aid receipts. As much as 32 million tons will be needed to meet minimum nutritional requirements. At less than this level, per capita consumption levels would drop below the currently low levels, and fragile African economies would be even more vulnerable to any type of food supply shock.

To improve economic performance and lay the foundation for stable growth in agricultural production in the future, polices should focus on reforming the financial sector, liberalizing the trade system, and removing the remaining constraints on private sector participation in agriculture. Stable political environments, strong market-oriented economies, and improved infrastructure and technologies in Sub-Saharan Africa will go a long way toward avoiding crises such as that in Rwanda.

The developed world can support these efforts by ensuring market access for African exports, supplying technical assistance, and promoting investments in these countries. In the interim, however, food aid remains an element critical to ensuring adequate food supplies and addressing the food crisis in Sub-Saharan Africa.

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For more information . . .

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Post-Flood Expansion Of WRP

The fledgling Wetlands Reserve Program (WRP)—created in the 1990 Farm Act (FACTA) to protect some wetland areas with permanent easements—gained renewed interest after extensive floodplain damage last year in the Midwest. Congress subsequently raised enrollment targets for wetland acreage and authorized the second WRP (EWRP) signup period, which took place early this year. In addition, an Emergency Wetlands Reserve Program (EWPR) was initiated specifically for farmers in eight flood-ravaged states.

The WRP is a voluntary program that provides payment and cost sharing to farmers in exchange for permanent or long-term easements for returning farmed or converted wetland back into a wetland environment. The Emergency WRP, which operates similarly, is used to help landowners convert suitable flood-damaged cropland to wetlands if the cost of levee restoration and cropland renovation exceeds the value of the land.

The WRP allows comparable economic uses of restored wetland. These uses include hunting, fishing, and other recreational activity; grazing during prescribed times; and selective timber harvesting. The landowner is also paid up to 75 percent of the cost of restoring the former wetland.

The first signup under the WRP took place in July 1992 in nine pilot states, and USDA selected 49,888 acres at a total cost of $46.4 million. As a result of the second signup, almost 75,000 acres of cropland—the maximum allowed by law for the year—have been approved for acceptance into the WRP program for fiscal year 1994. However, the USDA acreage cap for 1994 may be lifted later this year because only an estimated $39 million of the $66 million appropriation for WRP was used to purchase easements on the 75,000 acres. If Congress lifted the cap, additional WRP acreage could be enrolled.

The acreage offerings for the second signup cover a broad geographic distribution of states—about a third in the Midwest. While the first signup period was open to only 9 states, primarily in the Midwest, landowners in 20 states participated in the second WRP enrollment.

For 1995, both the House and Senate have recommended a budget of $93.2 million for purchase of wetland easements under the WRP.

Cost-Effectiveness Improved

Mississippi, Louisiana, and Arkansas will lead in extent of acreage accepted into the WRP this year. Mississippi is slated for more than 13,500 acres, Louisiana nearly 12,000, and Arkansas more than 10,300. The other participating states (California, Illinois, Indiana, Iowa, Kansas, Minnesota, Missouri, Nebraska, New York, North Carolina, Oregon, South Dakota, Tennessee, Texas, Virginia, Washington, and Wisconsin) have between 700 and 6,000 acres each projected for enrollment.

Eligible owners submitted a total of 5,775 intentions to participate, covering 590,000 acres in March 1994, far exceeding the 75,000 allowed for fiscal 1994. A prorated share of allowed acreage for the WRP is allocated to each state, based on the landowners' submitted intentions. Acres that were tentatively accepted by state Agricultural Stabilization and Conservation Committees were those that provided the greatest environmental benefits in the most cost-effective manner.

WRP bids from landowners are evaluated for acceptance based on the feasibility and desirability of successful restoration. These include the following environmental factors:

- the site's potential use as habitat for migratory birds and other wildlife;
- percentage of wetland functions that may be restored;
- amount of maintenance activity required after the wetland is restored; and
- the physical condition of the site and the restoration plan's likely success.

Easement payments during the first signup period are projected to total $37 million for the 50,000 acres enrolled—about $742 per acre. Easement costs for the 75,000 acres projected for enrollment from the second WRP signup are estimated at $39 million—only $520 per acre. These numbers are preliminary estimates because appraisals have not been completed. The landowner bid process changed between the first and second signup periods, and states were required to use certified agricultural appraisers for land valuation and to set caps on per-acre value which could not be exceeded.

The Emergency WRP for flood-damaged cropland areas, funded under the Emergency Watershed Protection Program, also released projected enrollments early this year. Under this program, the Soil Conservation Service agreed to buy conservation easements on about 25,400 acres that will be restored to wetlands in eight Midwestern states. About half the 25,400 acres accepted were in Missouri.

Costs averaged $591 per acre for the enrolled acreage, ranging from $1,200 per acre in Minnesota to $419 per acre in South Dakota. USDA encouraged landowners who did not meet the EWRP criteria to offer their land for regular WRP signups in early 1994.

"Swampbuster" May Slow Conversions

Last year's extensive flood damage in the upper Mississippi and lower Missouri River floodplain focused public attention on the need for improved floodplain management. As of June 10, 1994, USDA had disbursed nearly $2.9 billion in emergency assistance to the nine hardest hit states, primarily in the form of disaster assistance ($1.6 billion) and crop insurance indemnities ($1 billion). In addition, important questions have resurfaced about flood control and the appropriate balance of urban, agricultural, and other uses of land in floodplains and watersheds nationwide.

An interagency Federal committee composed of at least 12 members including USDA, Department of Commerce, and the Environmental Protection Agency is examining issues raised by the flood, and USDA is undertaking a similar effort. The need to consolidate long-term resource protection programs has been identified by USDA and other agencies. They are, for example, examining the possibility of shifting wetland protection activities under the Water Bank Program (authorized under the Water Bank Act) into the WRP. The need to continue slowing the conversion of wetlands to agricultural use is also among the issues raised by the flood.

Agricultural conversion of wetland has declined in recent years, partly because of the Swampbuster provision of the 1985 and 1990 Farm Act. Conversion remains an area of environmental concern. The original Swampbuster provision made a farm operator ineligible for price support payments, farm storage facility loans, crop insurance, disaster payments, and insured or guaranteed loans for any year in which a crop was planted on converted wetlands.

In the 1990 Farm Act, Congress amended the Swampbuster provision in several ways. The first amendment changed the "trigger" that had activated loss of program benefits.

Previously, loss of program benefits did not occur unless a converted wetland was planted to an agricultural commodity. Environmentalists were concerned because eligibility for benefits was restored in the same year that no crop was planted. They were additionally concerned because eligibility for benefits was restored even if the crop was planted the following year, even though the wetlands had been destroyed.

An amendment included in the 1990 Farm Act closed this loophole; converting a wetland to make production possible now invokes loss of benefits, regardless of whether production occurs in the year benefits are being claimed. Benefits cannot be restored until the converted wetland is restored.

However, the 1990 Farm Act allows farmers to "mitigate" wetland losses with wetland restoration. Mitigation means restoring or creating one wetland to replace another wetland lost to development. Now, a farmer can drain a wetland without losing farm program benefits if another wetland on the farm property converted before 1985 is restored to wetland condition.

Swampbuster may be less effective in the future than it has in the past. Swampbuster's leverage for enforcement depends on the level of commodity program payments. If budget deficit goals cut into commodity program payments, Swampbuster sanctions will be less effective. Other compensation payment methods may have to be inaugurated because Swampbuster and other compliance mechanisms apply mainly to producers growing program crops, and only one-third of U.S. producers receive farm program payments.

While the WRP is a program appealing to both farmers and the public, its future, as well as that of Swampbuster and other wetland protection programs, will depend heavily on both funding prospects and legislative actions. *[Dwight Gadsby (202) 219-0444 and Ralph Heimlich (202) 219-0431]* AO

Emergency Enrollment Pushed Up WRP Acreage

	1992/93	1993/94 EWRP	1994/95	Total
		1,000 acres		
Arkansas	0	0	10.3	10.3
California	6.0	0.0	3.6	9.6
Illinois '	0	1.3	2.8	4.1
Iowa '	5.1	5.6	5.8	16.5
Louisiana	14.1	0	12.0	26.1
Minnesota '	0.7	0.5	3.4	4.6
Mississippi	14.9	0	13.5	28.4
Missouri '	2.7	12.3	3.5	18.5
Nebraska '	0	0.2	1.5	1.7
New York	0.1	0	0.8	0.9
North Carolina	4.7	0	1.1	5.8
Wisconsin '	1.8	0	2.3	3.9
Others	0	5.5	14.4	19.9
Total	49.9	25.4	75.0	150.3

Acres tentatively accepted into the program. 1993/94 enrollments were under Emergency Wetlands Reserve Program.
' Flood states

Special Article

Gauging Economic Impacts As CRP Contracts Expire

As Congress considers alternatives to USDA's Conservation Reserve Program (CRP), questions arise concerning the impacts that CRP changes might have on farm income and other economic conditions in regions with significant CRP acreage. Contracts on over 36 million acres enrolled in the CRP will expire by 2003. Farmers holding CRP contracts currently receive $1.8 billion annually in rental payments for converting eligible cropland to conservation uses.

This examination of the economic impacts of nonrenewal of CRP contracts continues a discussion in the July issue of *Agricultural Outlook*, which addressed the environmental impacts. Short of renewal, other options being considered for the CRP include limited extensions of the program in some form—perhaps targeting the most environmentally sensitive land.

Partial elimination of the program would, of course, have less of an impact on economic conditions, such as farm income and employment, than would complete elimination. The impacts estimated here assume that CRP contracts expire as scheduled between 1995 and 2003. Also, it is assumed that no action is taken to extend or modify CRP contracts and no substitute environmental programs are enacted. As such, the impacts reported should provide a basis for assessing the economic consequences of changing the CRP. These estimates include an assessment by USDA's Economic Research Service (ERS) of the impacts on farm income and employment at the national level and in nine selected local economies.

The economic consequences of the expiration of CRP contracts include increased farm output, lower prices for some commodities, slightly lower government payments, and a small decline in farm income. The biggest factor affecting farm income would be reduced revenue for grain and soybean production due to lower prices. However, impacts would vary among regions and by degree of enrollment.

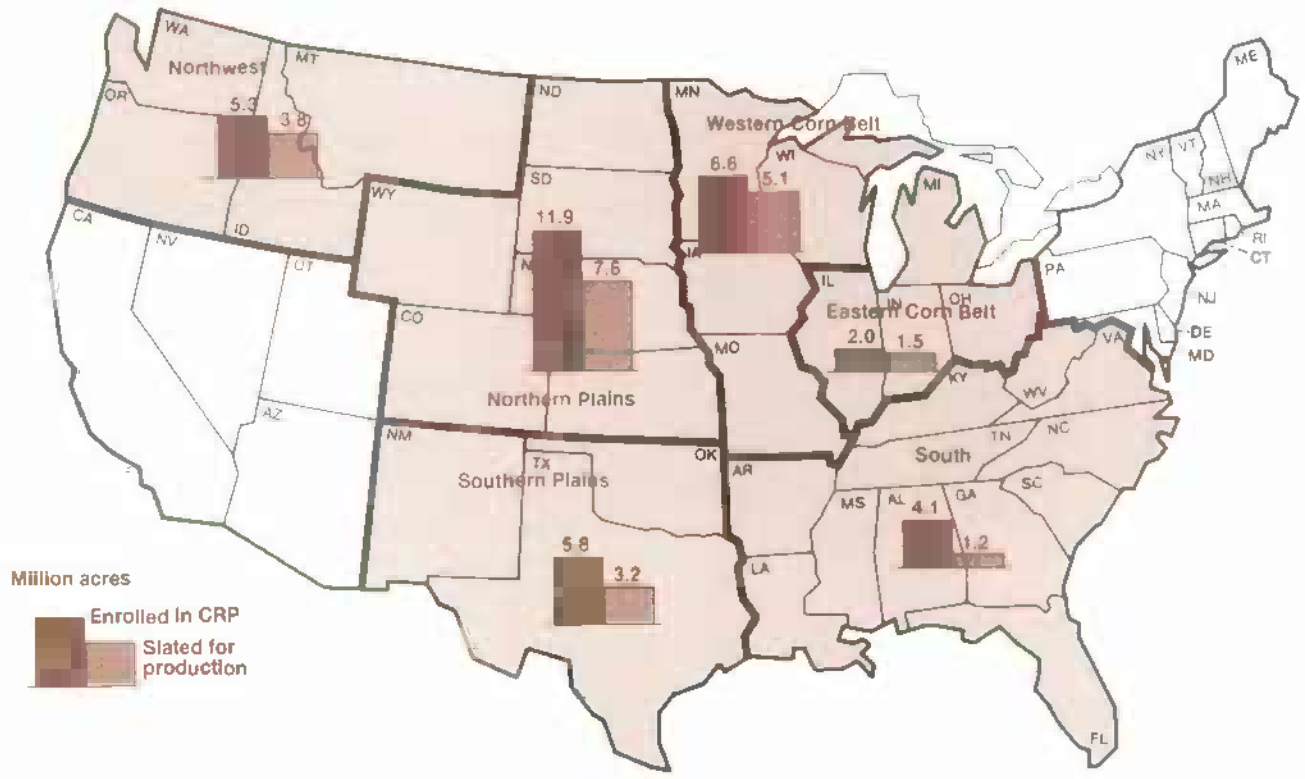
According to USDA's 1991 Farm Costs and Returns Survey (FCRS), 19 percent of all U.S. farm operations received CRP payments. These farms and ranches held 14 percent of all farm assets and accounted for 23 percent of the total value of U.S. agricultural production that year. Any CRP change would likely have direct impacts on the financial well-being of these farm operators. The actual effects would vary among operators according to the future use of their CRP land, the individual characteristics of the participants' farm operations, and the extent of their acreage enrolled in the CRP.

Some CRP enrollees returning large portions of their CRP acres to crop production would experience higher incomes than they would receive with an extension of the current program. Prospects for farm incomes have improved since 1985-87 when most CRP land was enrolled. Consequently, expected net returns for the period 1995-2003 for much of the land enrolled in the CRP exceed the current CRP rental rate in most regions. The change in these operators' farm income would vary according to the proportion of gross farm income that comes from CRP payments and the ability of the operator to replace CRP payments with income from crop or livestock operations.

1986 Contracts Extended

As *Agricultural Outlook* went to press, USDA announced that producers holding CRP contracts expiring September 30, 1995 will have the option to modify their contracts to extend the expiration date for 1 year. Cropland eligible for the extension was enrolled under the 1986 CRP contracts, and amounts to about 2 million acres.

Most CRP Acres Are Expected To Return to Production



Acres returning to production are based on 1993 survey by the Soil and Water Conservation Society, using 1993 prices. Regions not included contained a total of 625,542 acres in the CRP.

How Dependent Are Farmers on the CRP?

The 1991 FCRS provides data on the financial and structural characteristics of farm operators receiving CRP payments. Those receiving payments were divided into three categories: low, medium, and high enrollees.

Low enrollees have less than one-third of their owned land enrolled in the CRP. These farms represent 75 percent of all farms participating in the CRP and receive 38 percent of all CRP payments. On average, these farmers supply more operator labor, operate more acres, have greater investment in land and capital, and achieve higher production than either non-CRP operators or operators with a larger share of their acres enrolled.

Operators in the high enrollee category have more than 66 percent of their acres enrolled. While these operations represented 11 percent of farms enrolled in the CRP, they received 33 percent of all CRP payments. On average, they have smaller operations than other enrollee categories, do not consider farming their primary occupation, and supply less operator labor than other enrollee categories or non-CRP participants. CRP payments comprised 30 percent of gross farm income for high enrollees compared with 2 percent for the low group.

Farms in the medium enrollee category have one- to two-thirds of their land enrolled in the CRP. These farms account for 14 percent of all farms enrolled in the program and receive 29 percent of all payments. Most farmers in this category do not consider farming their primary occupation.

Operators in the low group probably have the necessary equipment and expertise to return their land to production if market conditions indicate positive returns. For the high group, however, the decision is less clear. These operators would likely have to spend more time working on their farms and/or acquire additional equipment in order to return land to production. Thus, they are likely to consider leasing their land to others as an alternative.

Farmers receiving CRP payments in 1991 were generally more profitable and had higher average net cash and net farm incomes than farmers not enrolled in the CRP. This was especially true for those in the high group where 90 percent had positive farm incomes. Also, the high enrollee group had a greater return on assets than other farms.

Special Article

Estimating Farm Income Effects

USDA's February 1994 baseline projections were used to estimate the effects on U.S. net farm income of an expiration of the CRP. The baseline is a procedure used to estimate production, use, farm prices, farm income, and other economic variables over a 10-year period, assuming current agricultural policies remain in effect. It incorporates analysts' expectations of changes in the macroeconomy and international developments, making the following assumptions:

- CRP enrollees will continue participating in government programs. Usage of land exiting the CRP will follow patterns indicated by responses to the 1993 SWCS survey.
- Target prices will remain at current levels.
- Wheat ARP's will be 7.5 percent in 2003. Corn ARP's will be 2.5 percent.
- Beginning in 1996, faster foreign income growth will push up U.S. agricultural exports. Total exports will rise 3.5 percent annually from 1995 through 2000 and increase 4.2 percent a year from 2000 to 2005.

The scenario also assumes no Uruguay Round agreement for agricultural trade liberalization, since Congress has not yet voted on the agreement. Countries will adopt only those GATT policy reforms that they would adopt unilaterally, but trade policies will continue to be liberalized. Impacts of the already signed North American Free Trade Agreement as well as reform of the European Union's Common Agricultural Policy are incorporated.

Since this group is so reliant on CRP income, any change in the CRP could substantially affect their profitability. In fact, if this group received no CRP payments and did not earn additional income from other farm activities to cover the lost CRP payments, only 40 percent would have had positive farm incomes in 1991. Such a change would have increased the share of farms in this enrollee category classified as financially vulnerable (negative income and a debt-to-asset ratio greater than 0.4) from 4 to 12 percent.

Because operators in the low group are less dependent on CRP payments than operators in other categories, eliminating the program would result in less of an impact on their profitability. With no CRP rental payments and no replacement income, an additional 3 percent of these farms would have had negative net farm income in 1991.

In 2003, when nearly all CRP contracts will have expired, U.S. net farm income is expected to be as much as 3.3 percent, or $1.4 billion, lower than without the expirations. This estimate assumes no other policy changes such as higher ARP's and includes both the direct effects of bringing CRP land back into production and the loss of rental payments, plus the indirect effects of lower commodity prices and higher deficiency payment rates. About three-fourths of the total estimated income decline would result from indirect effects, mostly reduced cash receipts from crops.

In 1993, the Soil and Water Conservation Society (SWCS) conducted a national survey of CRP contract holders. Questionnaires were sent to about 17,000 enrollees representing 5 percent of CRP contract holders, asking respondents what they intended to do with their CRP land if contracts were not extended. The survey revealed that with current farm policy in effect and prices equal to 1993 levels, enrollees planned to return about 63 percent of their CRP acreage to crop production if current contracts were not renewed.

Using cropping intentions expressed in the SWCS survey, ERS estimates that in crop year 2003/4, CRP land planted to major crops would generate about $1.4 billion in net farm income—gross revenue minus both variable costs (e.g., seed, fertilizer, and fuel) and capital replacement (e.g., machinery depreciation). This estimate includes deficiency payments of $400-$500 million to program crops grown on land formerly in the CRP, but does not include income from sales of hay, livestock forage, and minor crops that would also be grown on land formerly in the CRP. Also incorporated are the lower crop prices resulting from increased supply of crops grown on former CRP acres. Costs incurred to meet compliance rules are not included.

For the U.S., 80 percent of annual CRP rental payments could be replaced by income from growing major crops on CRP land. The income replacement rate would vary by region, depending to a great extent on the share of CRP land enrollees intend to return to production.

In addition, incomes from both non-CRP acres and livestock production would be affected by lower commodity prices due to increased production. For example, the additional production generated on former CRP land is expected to result in a 5-percent drop in feed grain prices and a 9-percent reduction in wheat prices. With these lower expected prices, cash receipts from crop production on non-CRP acres in 2003/4 would be $2.4 billion lower than if the full CRP program had been extended.

This reduction would be partially offset by $400-$500 million in lower feed costs and $800-$900 million in additional deficiency payments on non-CRP acres. Deficiency payment rates are calculated as the difference between the target price and the higher of the loan rate or season-average market price.

Eliminating the CRP without a corresponding increase in annual acreage reduction program requirements (ARP's) is expected to reduce combined commodity and CRP payments $500 million in 2003 from what payments would be if the full CRP had been extended. Enrollees in the CRP program did not lose their program acreage bases. Thus, program crops on re-

planted CRP acres would be eligible for about $430 million in deficiency payments annually, assuming enrollees fully participate in government programs. Larger deficiency payments for production on non-CRP land, due to lower commodity prices, are estimated to total $880 million annually.

The $1.3 billion in additional deficiency payments would partially offset the $1.8-billion reduction in annual CRP rental payments, resulting in a net savings to the government of almost $500 million. If ARP's were raised, commodity prices would increase, lowering deficiency payments and leading to larger government savings.

Livestock Herd Expansion Would Be Modest

The SWCS survey indicated that almost a quarter of CRP land is expected to be kept in grass for hay or livestock forage. The resulting increased forage supplies and available land would likely encourage expansion of the U.S. livestock sector. However, several factors indicate the expansion would be quite modest.

First, while returns over cash expenses are estimated to be positive for CRP land going into hay or livestock forage, returns would probably not be sufficient to cover additional expenses for constructing fences and handling facilities which would be required on most CRP land. Second, about half the operations currently receiving CRP payments would not find it feasible to expand or go into livestock production, because the CRP parcels are too small for efficient livestock operations. Also, the small size of most CRP parcels limits the potential for renting them to other operators. Third, operators with few or no livestock probably lack the managerial expertise to expand or go into livestock production.

Operators most likely to expand their livestock enterprises would be those with established livestock facilities and expertise. Operations reporting peak cattle numbers of 50 or more are the most likely to expand. Slightly over one-fifth of CRP enrollees reported peak cattle numbers greater than 50. Most of these operations were in the South and Northern Plains. Over 60 percent of enrollees in the Southern Plains and 44 percent in the Northern Plains reported cattle numbers of 50 or more.

However, expansion possibilities are limited in these particular regions. Most of the cattle are likely stocker cattle placed on wheat pasture for part of the year. Unlike cow-calf operations, permanent grass provided by CRP land offers little additional grazing potential for these operations. Limited availability of water may also hinder expansion in these regions.

Another 20 percent of farms receiving CRP payments in 1991 had less than 50 head of cattle, but their CRP parcels were large enough to add at least 50 cows. A large portion of these farms were located in the Western Corn Belt region where water is more abundant. However, most of the these operations probably have neither the established facilities for handling livestock nor the operator expertise to expand operations significantly.

Expiration Impacts Vary by Region, Locality

Reduction in total net farm income is expected to vary by region. USDA's 1991 Farm Costs and Return Survey (FCRS) examined the characteristics of farms and regions receiving CRP payments. The FCRS defined six distinct regions, with the states in each region similar in commodities produced and in cropping patterns. The six regions are: Northwest, Northern Plains, Southern Plains, Western Corn Belt, Eastern Corn Belt, and South.

Using FCRS data, ERS estimated that the Corn Belt would experience the largest drop in income if the CRP were completely eliminated by 2003, with farm income falling 7.5 to 12 percent from the level with the full CRP remaining in effect. Producers indicate intentions to return around 74 percent of CRP acres to cropping, mostly to corn and soybeans. Net returns to CRP acres replanted are estimated to exceed CRP rental payments by $60 per acre in the two Corn Belt regions. However, lower crop prices would pull incomes down and account for most of the income decline in the Corn Belt.

About one-third of all CRP land is in the Northern Plains, and almost two-thirds of these acres are expected to return to production, mostly to wheat. Farm income declines in the Northern and Southern Plains are estimated to be 3 to 5 percent. Enrollment was much lower in the Southern Plains, and only about half this land is expected to return to production, with wheat, cotton, and grain sorghum accounting for most of the cropping on returned acres.

Calculating Impacts On Local Economies

The main impact on local economies of enrolling land in the CRP was to reduce farm input purchases as well as decrease wholesale and transportation activities. As CRP contracts expire, a large portion of the land enrolled will return to crop production, resulting in increased farm input purchases, marketing expenditures, and transportation activities. Expenditures on these items associated with CRP land returning to production are estimated and then used in a regional input-output model called IMPLAN. The input-output model mathematically measures changes in production, employment, and income in numerous sectors of an economy due to increases or decreases in production in targeted sectors.

Special Article

Reductions in net farm income would be smallest in the South and Northwest, averaging about 1 percent or less. The South has the lowest CRP participation rate, with only 12 percent of farm operations enrolled in the program; only 29 percent of the land is expected to return to production. About 20 percent of Northwest farms are enrolled in the CRP, and enrollees plan to return almost 70 percent of CRP land to production. Net returns to CRP acres replanted are expected to exceed rental payments in the Northwest, while in the South, crop income would replace only about half of CRP rental payments.

ERS estimates that increased farm output from bringing most CRP acreage back into production would provide an additional 94,000 jobs nationwide. About one-half of these jobs would be in farming, and the remainder would be nonfarm jobs. Not all the jobs would be located in rural areas or in areas with substantial CRP acreage. In general, only about 30 percent of total U.S. farm and farm-related jobs are located in rural areas.

Increased farm output would stimulate additional employment as more farm products enter the food and fiber system. Farmers would hire more labor and services, increasing purchases of manufactured inputs such as fertilizers, chemicals, and fuel. Economic activity would also increase in the food and fiber processing, distribution, and marketing industries.

While job and income effects from returning CRP land to cropping would be small nationally, some local economies in areas with substantial CRP enrollment might experience significant job increases and noticeable rises in income. Nine Rand McNally local trading areas have been selected to illustrate the impact on individual communities of eliminating the CRP program. These multicounty areas are located in Idaho, Montana, Kansas, Texas, Iowa, Missouri, Mississippi, and Georgia. Total 1990 employment in the local trading areas ranged from 41,000 in Pocatello, Idaho to 285,000 in Macon, Georgia.

Agriculture is an important industry in each of these areas, accounting for 12 percent or more of total employment in farming and closely related input and processing industries. The share of cropland enrolled in the CRP in these areas ranged from a little over 11 to nearly 36 percent.

Returning CRP acreage to production should result in job increases ranging from less than 0.1 percent in the Macon, Georgia and Tupelo, Mississippi trading areas, to 1.8 percent in the Pocatello, Idaho area. Employment would increase about 1.5 percent in the localities in the Plains areas in Montana, Kansas, and Texas. Job increases in the selected Corn Belt trading areas in Iowa and Missouri ranged from 0.4 to 1 percent.

Except for the trading areas located in the South, a return of CRP acreage is estimated to cause personal income to rise. Increases in personal income in the Great Plains trading areas ranged from 1 to 1.2 percent, while in the Corn Belt trading areas income changes were estimated to be between 0.3 and 0.8 percent. Pocatello, Idaho was estimated to experience the largest increase in personal income—1.4 percent.

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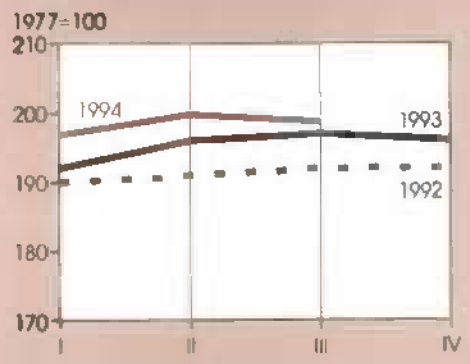
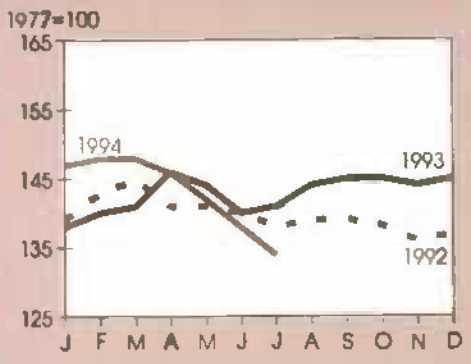
Prime Indicators

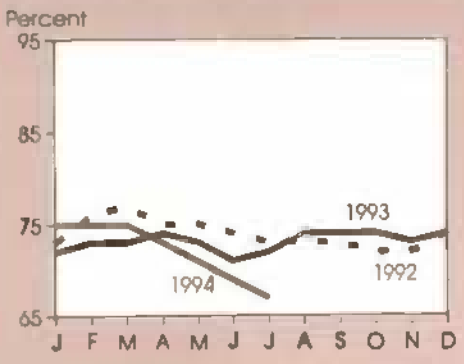
Index of prices paid by farmers



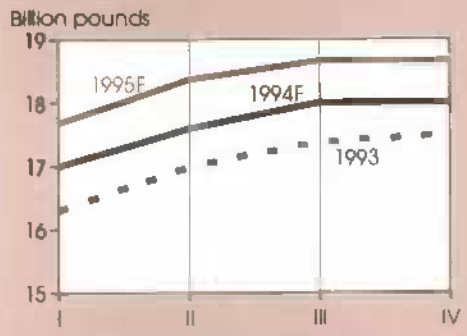
Index of prices received by farmers [1]



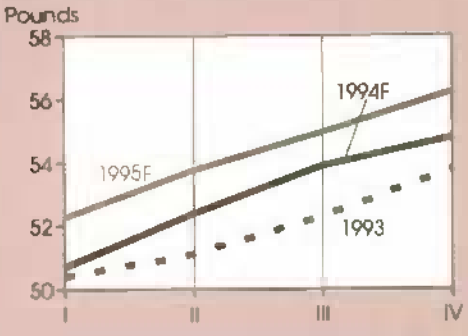
Ratio of prices received/prices paid



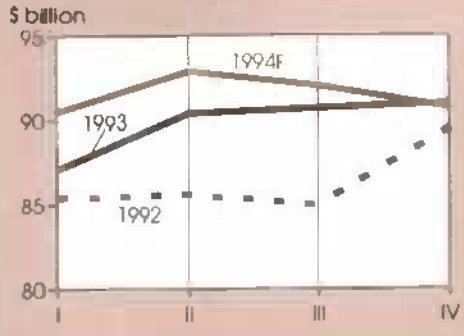
Total red meat & poultry production [2]



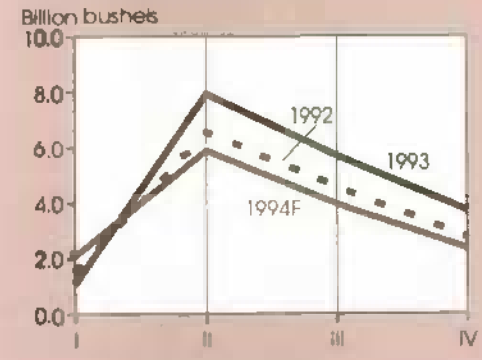
Red meat & poultry consumption, per capita [2,3]



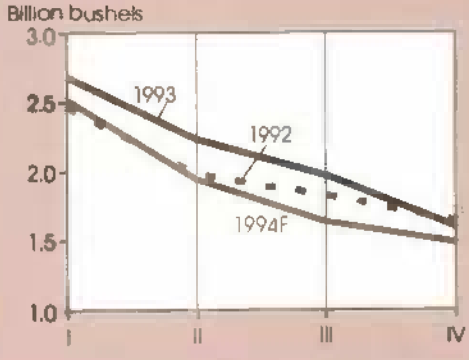
Cash receipts from livestock & products [4]



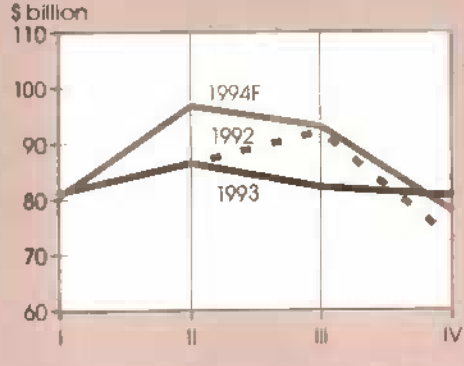
Corn beginning stocks [5]



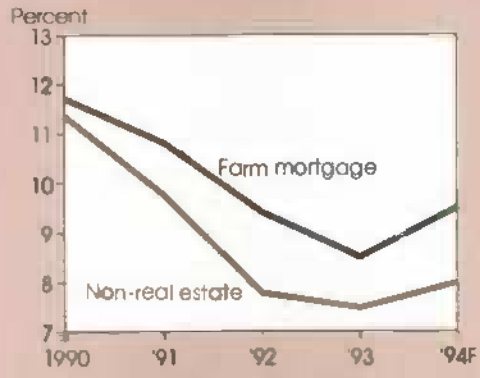
Corn disappearance [5]



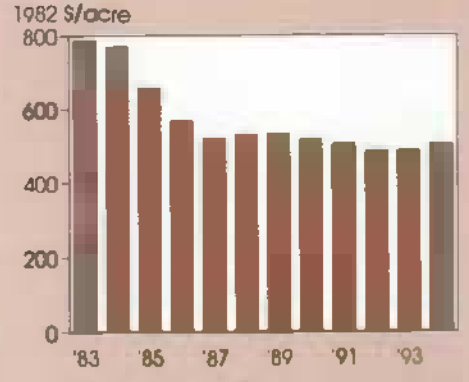
Cash receipts from crops [4]



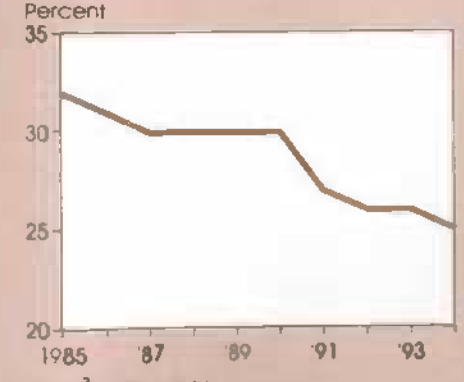
Farm loan interest rates



Average real value of farm real estate



Farm value/retail food costs



[1] For all farm products. [2] Calendar quarters. Future quarters are forecasts for livestock, corn, and cash receipts. [3] Retail weight. [4] Seasonally adjusted annual rate. [5] I=Sept.-Nov.; II=Dec.-Feb.; III=Mar.-May.; IV=June-Aug. Marketing years end in August or September as indicated.

Statistical Indicators

Summary Data

Table 1.—Key Statistical Indicators of the Food & Fiber Sector

	1993	1994					1995		
	Annual	I	II	III F	IV F	Annual F	I F	II F	Annual F
Prices received by farmers (1977=100)	143	147	146	134	—	—	—	—	—
Livestock & products	162	159	161	148	—	—	—	—	—
Crops	123	135	131	120	—	—	—	—	—
Prices paid by farmers, (1977=100)									
Production items	179	181	184	181	—	—	—	—	—
Commodities & services, interest, taxes, & wages	195	198	200	199	—	—	—	—	—
Cash receipts ($ bil.) 1/	174	172	—	—	—	—	—	—	—
Livestock ($ bil.)	90	91	—	—	—	—	—	—	—
Crops ($ bil.)	84	81	—	—	—	—	—	—	—
Market basket (1982–84=100)									
Retail cost	142	145	145	—	—	—	—	—	—
Farm value	105	106	102	—	—	—	—	—	—
Spread	162	166	168	—	—	—	—	—	—
Farm value/retail cost (%)	26	26	25	—	—	—	—	—	—
Retail prices (1982–84=100)									
Food	141	143	144	—	—	—	—	—	—
At home	140	143	143	—	—	—	—	—	—
Away from home	143	145	145	—	—	—	—	—	—
Agricultural exports ($ bil.) 2/	42.6	11.1	10.2	9.3	—	42.5	—	—	—
Agricultural imports ($ bil.) 2/	24.5	6.6	6.2	5.6	—	25.0	—	—	—
Commercial production									
Red meat (mil. lb.)	40,568	10,083	10,431	10,692	10,702	41,908	10,550	10,695	43,422
Poultry (mil. lb.)	27,539	6,890	7,351	7,420	7,295	28,956	7,145	7,715	30,170
Eggs (mil. doz.)	5,960	1,498	1,513	1,510	1,550	6,071	1,510	1,515	6,115
Milk (bil. lb.)	151.0	37.7	40.0	38.3	37.6	153.5	38.6	40.6	156.2
Consumption, per capita									
Red meat and poultry (lb.)	207.6	50.5	52.4	53.9	54.8	211.7	52.3	53.8	217.4
Corn beginning stocks (mil. bu.) 3/	1,100.3	2,113.0	5,936.5	3,995.7	2,358.2	2,113.0	—	—	852.0
Corn use (mil. bu.) 3/	8,476.1	2,525.7	1,948.8	1,644.0	1,511.5	7,630.0	—	—	8,410.0
Prices 4/									
Choice steers—Neb. Direct ($/cwt)	76.36	73.10	68.79	66–68	69–73	69–71	66–72	67–73	66–72
Barrows & gilts—IA. So. MN ($/cwt)	46.10	45.78	42.90	42–44	40–42	43–44	39–43	39–43	38–42
Broilers—12–city (cts./lb.)	55.2	55.1	60.0	56–58	54–58	56–58	52–56	53–57	52–56
Eggs—NY gr. A large (cts./doz.)	72.5	71.5	63.3	67–69	70–74	68–69	66–72	60–66	64–70
Milk—all at plant ($/cwt)	12.80	13.57	13.03	12.50–12.80	13.20–13.80	13.10–13.30	12.30–13.20	11.20–12.20	11.85–12.85
Wheat—KC HRW ordinary ($/bu.)	3.59	3.81	3.63	—	—	—	—	—	—
Corn—Chicago ($/bu.)	2.38	2.97	2.75	—	—	—	—	—	—
Soybeans—Chicago ($/bu.)	6.18	6.77	6.71	—	—	—	—	—	—
Cotton—Avg. spot 41–34 (cts./lb.)	55.4	70.7	77.4	—	—	—	—	—	—

	1986	1987	1988	1989	1990	1991	1992	1993	1994
Farm real estate values 5/									
Nominal ($ per acre)	640	599	632	661	668	681	684	699	744
Real (1982 $)	568	518	530	533	517	505	487	485	503

1/ Quarterly data seasonally adjusted at annual rates. 2/ Annual data based on Oct.–Sept. fiscal years ending with year indicated. 3/ Sept.–Nov. first quarter; Dec.–Feb. second quarter; Mar.–May third quarter; Jun.–Aug. fourth quarter; Sept –Aug. annual. Use includes exports & domestic disappearance. 4/ Simple averages, Jan.–Dec. 5/ 1990–94 values as of January 1. 1986–89 values as of February 1. F = forecast. — = not available.

U.S. & Foreign Economic Data

Table 2.—U.S. Gross Domestic Product & Related Data

	Annual			1993			1994	
	1991	1992	1993	II	III	IV	I	II
	$ billion (quarterly data seasonally adjusted at annual rates)							
Gross domestic product	5,724.8	6,020.2	6,343.3	6,299.9	6,359.2	6,478.1	6,574.7	6,683.8
Gross national product	5,740.8	6,025.8	6,347.8	6,303.3	6,367.8	6,478.2	6,574.0	--
Personal consumption expenditures	3,902.4	4,138.9	4,378.2	4,347.3	4,401.2	4,469.8	4,535.0	4,584.8
Durable goods	456.6	492.7	538.0	531.2	541.9	562.8	576.2	581.5
Nondurable goods	1,257.8	1,295.5	1,339.2	1,334.2	1,340.2	1,355.2	1,368.9	1,376.3
Clothing & shoes	213.0	227.7	235.4	233.2	235.9	240.7	241.9	243.1
Food & beverages	621.5	626.8	649.7	646.0	651.7	660.8	667.9	672.3
Services	2,188.1	2,348.7	2,501.0	2,481.9	2,519.1	2,551.8	2,589.9	2,626.9
Gross private domestic investment	744.8	788.3	882.0	869.7	882.2	922.5	966.8	1,028.9
Fixed investment	746.6	785.2	866.7	851.1	868.3	913.5	942.5	967.3
Change in business inventories	-1.8	3.0	15.4	18.6	13.9	9.0	24.1	61.6
Net exports of goods & services	-19.9	-30.3	-65.3	-63.3	-77.0	-71.2	-86.7	-99.1
Government purchases of goods & services	1,097.4	1,125.3	1,148.4	1,146.3	1,152.9	1,157.2	1,159.8	1,169.0
	1987 $ billion (quarterly data seasonally adjusted at annual rates)							
Gross domestic product	4,867.8	4,979.3	5,134.5	5,105.4	5,139.4	5,218.0	5,261.1	5,309.2
Gross national product	4,882.3	4,985.7	5,140.3	5,110.1	5,148.4	5,218.7	5,262.7	--
Personal consumption expenditures	3,259.4	3,349.5	3,458.7	3,439.2	3,472.2	3,506.2	3,548.3	3,557.1
Durable goods	425.3	452.8	489.9	483.7	492.7	510.8	521.7	522.8
Nondurable goods	1,047.7	1,057.7	1,078.5	1,074.3	1,081.7	1,088.0	1,098.3	1,100.2
Clothing & shoes	184.7	193.2	197.8	196.1	198.8	202.4	203.8	204.2
Food & beverages	518.8	514.7	524.0	522.3	525.1	528.1	531.9	533.6
Services	1,786.3	1,839.1	1,890.3	1,881.2	1,897.8	1,907.4	1,926.3	1,934.1
Gross private domestic investment	883.8	725.3	819.9	806.2	821.8	862.5	898.9	946.8
Fixed investment	884.9	722.9	804.8	787.3	808.8	851.7	873.4	892.8
Change in business inventories	-1.1	2.5	15.3	18.9	13.0	10.8	25.4	54.0
Net exports of goods & services	-19.5	-32.3	-73.9	-69.3	-86.3	-82.2	-104.0	-113.4
Government purchases of goods & services	944.0	936.9	929.8	929.3	931.8	931.5	919.9	918.7
GDP implicit price deflator (% change)	3.8	2.8	2.2	1.8	1.0	1.3	2.9	2.9
Disposable personal income ($ bil.)	4,236.6	4,505.8	4,688.7	4,678.6	4,700.5	4,777.6	4,832.8	4,906.7
Disposable per. income (1987 $ bil.)	3,538.5	3,648.1	3,704.1	3,701.3	3,708.4	3,747.8	3,779.2	3,806.8
Per capita disposable per. income ($)	16,766	17,636	18,153	18,141	18,174	18,421	18,588	18,826
Per capita dis. per. income (1987 $)	14,003	14,279	14,341	14,351	14,338	14,451	14,535	14,606
U.S. population, total, incl. military abroad (mil.) 1/	252.6	255.5	258.2	257.2	258.5	259.2	259.9	260.5
Civilian population (mil.) 1/	250.5	253.5	256.4	255.3	256.7	257.5	258.1	258.8

	Annual			1993	1994			
	1991	1992	1993	June	Mar	Apr	May	June P
	Monthly data seasonally adjusted							
Industrial production (1987=100)	104.1	106.5	110.9	110.4	115.9	115.1	116.3	116.8
Leading economic indicators (1987=100)	97.1	98.1	98.7	99.1	101.2	101.2	101.3	101.5
Civilian employment (mil. persons) 2/	116.9	117.8	119.3	119.2	122.0	122.3	122.9	122.4
Civilian unemployment rate (%) 2/	6.8	7.3	6.7	6.8	6.5	6.4	6.0	6.0
Personal income ($ bil. annual rate)	4,860.3	5,154.3	5,375.1	5,361.1	5,607.5	5,635.6	5,659.0	5,663.9
Money stock–M2 (daily avg.) ($ bil.) 3/	3,455.3	3,509.0	3,567.4	3,528.7	3,582.7	3,590.1	3,591.3	3,582.1
Three-month Treasury bill rate (%)	5.42	3.45	3.02	3.10	3.52	3.74	4.19	4.18
AAA corporate bond yield (Moody's) (%)	8.77	8.14	7.22	7.33	7.48	7.88	7.99	7.97
Housing starts (1,000) 4/	1,014	1,200	1,298	1,238	1,519	1,471	1,497	1,351
Auto sales at retail, total (mil.)	8.4	8.4	8.7	8.8	9.0	9.5	9.0	9.1
Business inventory/sales ratio	1.54	1.50	1.45	1.45	1.39	1.40	1.41	--
Sales of all retail stores ($bil.) 5/	1,863.0	1,959.1	2,081.6	172.4	185.3	183.4	182.7	183.8
Nondurable goods stores ($ bil.)	1,209.5	1,251.8	1,297.0	107.7	112.0	111.0	111.1	111.6
Food stores ($ bil.)	379.3	382.4	392.4	32.6	33.6	33.3	33.5	33.3
Eating & drinking places ($ bil.)	194.1	200.6	211.0	17.6	18.6	18.5	18.4	18.4
Apparel & accessory stores ($ bil.)	97.3	104.1	106.1	8.8	9.0	8.8	8.7	8.9

1/ Population estimates based on 1990 census. 2/ Data for 1994 are not directly comparable with data for 1993 and earlier years. 3/ Annual data as of December of the year listed. 4/ Private, including farm. 5/ Annual total. P = preliminary. -- = not available.

Information contact: Ann Duncan (202) 501-8541.

Table 3.—World Economic Growth

	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993 E	1994 F	1995 F	Average 1984–93
	Real GDP, annual percent change												
World	4.3	3.3	2.7	3.1	4.4	3.3	2.2	0.7	1.9	1.6	2.8	3.5	2.8
World, less U.S.	3.6	3.4	2.7	3.1	4.6	3.6	2.7	1.2	1.7	1.1	2.4	3.5	2.8
Developed	4.3	3.2	2.7	3.1	4.4	3.3	2.4	0.9	1.7	1.0	2.4	3.0	2.7
Developed, less U.S.	3.2	3.4	2.7	3.2	4.5	3.6	3.5	1.9	1.0	0.0	1.7	2.9	2.7
United States	6.0	3.0	2.6	3.0	3.9	2.6	0.8	–0.7	2.6	3.0	3.7	3.3	2.7
Canada	6.4	4.7	3.3	4.1	4.7	2.5	0.4	–1.7	0.7	2.4	3.3	3.9	2.7
Japan	4.3	5.0	2.7	4.1	6.2	4.7	5.2	4.3	1.1	0.1	0.8	2.7	3.8
Western Europe	2.4	2.5	2.7	2.6	3.7	3.2	2.8	1.1	0.9	–0.5	1.9	2.8	2.2
European Union	2.3	2.4	2.7	2.7	3.9	3.3	2.9	1.5	1.1	–0.3	1.9	2.8	2.2
Germany	2.8	1.9	2.2	1.4	3.7	3.6	5.7	4.5	2.1	–1.3	1.8	2.6	2.6
Central Europe	3.5	2.0	3.0	1.4	1.2	–0.1	–7.5	–14.1	–10.0	–0.1	1.5	2.4	–2.1
Former Soviet Union	4.1	1.7	3.6	2.8	5.3	3.0	–2.0	–11.6	–18.2	–13.0	–10.1	–2.2	–2.4
Russia	2.6	2.6	3.4	2.1	5.6	2.5	–2	–9	–19	–12	–10	–2	–2.9
Developing	4.4	3.9	3.4	4.1	4.6	3.8	3.7	3.8	5.4	5.5	5.2	5.6	4.3
Asia	7.7	6.4	6.6	7.8	9.5	5.8	6.3	5.1	7.7	7.8	7.3	7.5	7.1
Pacific–Asia	9.4	6.7	7.3	9.0	9.5	6.1	6.6	6.4	9.0	9.0	8.1	8.1	7.9
China	14.4	12.3	8.2	11.0	10.7	4.3	5.4	6.4	12.8	13.4	10.0	10.0	9.9
South Asia	3.9	5.8	4.9	4.8	9.4	5.1	5.5	1.8	4.0	4.2	4.9	5.8	4.9
India	3.7	5.4	4.1	4.9	9.7	5.0	5.8	1.8	3.7	4.1	4.6	5.5	4.8
Latin America	3.9	3.3	4.5	3.2	0.6	1.3	–0.1	3.1	2.2	3.4	3.0	4.0	2.5
Mexico	3.7	2.7	–3.9	1.8	1.2	3.4	4.5	3.6	2.6	0.4	2.8	5.1	2.0
Caribbean/Central	0.5	2.2	2.1	2.8	–0.8	2.1	1.4	0.1	0.2	2.2	2.0	2.2	1.3
South America	4.1	4.0	7.1	3.5	0.4	0.5	–1.7	3.0	1.9	4.4	3.2	3.9	2.7
Brazil	5.4	7.9	8.0	3.3	–0.2	3.3	–4.2	1.2	–0.9	5.0	3.3	3.8	2.9
Middle East	0.5	–0.6	–6.9	–2.0	–2.1	2.8	3.2	2.2	7.5	4.3	3.6	3.6	0.9
Africa	1.0	3.0	2.4	0.4	2.7	3.0	1.9	1.8	1.2	2.0	2.4	2.8	2.0
North Africa	2.7	3.1	0.4	–0.1	1.3	2.9	1.8	2.2	1.4	1.6	2.3	2.7	1.7
Sub–Sahara	–0.1	2.9	3.8	0.8	3.7	3.1	2.0	1.6	1.1	2.3	2.5	2.6	2.1
Middle East & N. Africa	1.1	0.5	–4.7	–1.4	–1.1	2.8	2.8	2.2	5.7	3.5	3.2	3.4	1.1

E = Estimate F = forecast.

Information contact: Alberto Jerardo, (202) 501–8318.

Farm Prices

Table 4.—Indexes of Prices Received & Paid by Farmers, U.S. Average

	Annual			1993	1994					
	1991	1992	1993	July	Feb	Mar	Apr	May	June R	July P
	1977 = 100									
Prices received										
All farm products	146	139	143	141	148	148	146	142	138	134
All crops	129	121	123	121	135	132	131	131	127	120
Food grains	115	139	129	114	151	154	150	145	135	129
Feed grains & hay	117	116	115	114	138	136	135	135	131	117
Feed grains	115	114	110	110	136	132	128	127	126	112
Cotton	108	88	90	89	109	109	112	115	105	97
Tobacco	161	154	154	141	168	141	152	152	152	152
Oil–bearing crops	91	88	95	101	105	105	103	106	105	96
Fruit, all	264	175	175	176	148	146	153	155	142	138
Fresh market 1/	288	179	182	184	150	147	155	158	145	138
Commercial vegetables	135	156	159	144	157	136	117	124	136	137
Fresh market	140	156	166	146	161	134	109	118	133	135
Potatoes & dry beans	141	124	151	178	164	187	191	187	166	189
Livestock & products	161	157	162	161	161	163	161	154	148	148
Meat animals	186	176	183	182	179	181	178	169	160	160
Dairy products	126	135	132	132	139	139	139	133	131	130
Poultry & eggs	124	117	128	125	127	132	128	129	130	128
Prices paid										
Commodities & services, interest, taxes, & wage rates	187	189	195	195	198	198	200	200	200	199
Production items	173	174	179	179	181	181	184	184	184	181
Feed	123	123	124	124	—	—	136	—	—	127
Feeder livestock	214	202	218	218	—	—	209	—	—	193
Seed	163	162	169	171	—	—	175	—	—	175
Fertilizer	134	131	128	129	—	—	137	—	—	137
Agricultural chemicals	151	159	165	166	—	—	168	—	—	168
Fuels & energy	203	199	201	199	—	—	195	—	—	201
Farm & motor supplies	157	160	160	160	—	—	158	—	—	158
Autos & trucks	244	258	272	275	—	—	288	—	—	284
Tractors & self–propelled machinery	211	219	227	223	—	—	240	—	—	240
Other machinery	226	233	243	245	—	—	258	—	—	258
Building & fencing	148	150	159	158	—	—	166	—	—	166
Farm services & cash rent	169	171	174	174	—	—	175	—	—	175
Int. payable per acre on farm real estate debt	137	129	123	123	—	—	130	—	—	130
Taxes payable per acre on farm real estate	165	172	180	180	—	—	189	—	—	189
Wage rates (seasonally adjusted)	201	210	217	221	—	—	224	—	—	224
Production items, interest, taxes, & wage rates	172	173	178	178	—	—	183	—	—	180
Ratio, prices received to prices paid (%) 2/	78	74	73	72	75	75	73	71	69	67
Prices received (1910–14=100)	666	636	653	646	678	675	668	651	630	613
Prices paid, etc. (parity index) (1910–14=100)	1,285	1,303	1,340	1,343	—	—	1,379	—	—	1,368
Parity ratio (1910–14=100) (%)2/	52	49	49	48	—	—	48	—	—	45

1/ Fresh market for noncitrus; fresh market & processing for citrus. 2/ Ratio of index of prices received for all farm products to index of prices paid for commodities & services, interest, taxes, & wage rates. Ratio uses the most recent prices paid index. Prices paid data are quarterly & will be published in January, April, July, & October. R = revised. P = preliminary. — = not available.

Information contact: Ann Duncan (202) 501–8541.

Table 5.—Prices Received by Farmers, U.S. Average

	Annual 1/			1993	1994					
	1991	1992	1993	July	Feb	Mar	Apr	May	June R	July P
CROPS										
All wheat ($/bu.)	3.00	3.24	3.26	2.85	3.58	3.65	3.55	3.41	3.21	3.03
Rice, rough ($/cwt)	7.58	5.89	8.10	4.90	10.10	10.20	9.93	10.00	8.88	8.74
Corn ($/bu.)	2.37	2.07	2.50	2.22	2.79	2.74	2.65	2.60	2.61	2.25
Sorghum ($/cwt)	4.01	3.38	4.11	3.71	4.59	4.31	4.20	4.20	4.24	3.86
All hay, baled ($/ton)	71.20	74.30	81.60	76.90	86.90	90.80	98.20	100.00	88.70	82.50
Soybeans ($/bu.)	5.58	5.56	6.40	6.56	6.71	6.74	6.57	6.77	6.72	6.02
Cotton, upland (cts./lb.)	56.8	54.9	5/ 58.0	53.7	66.0	66.1	67.7	69.3	63.5	58.4
Potatoes ($/cwt)	4.96	5.52	6.22	7.61	6.49	7.56	7.76	6.63	6.58	7.63
Lettuce ($/cwt) 2/	11.40	12.40	16.00	18.80	11.80	9.90	11.70	11.30	13.80	10.90
Tomatoes fresh ($/cwt) 2/	31.60	35.80	31.60	23.30	18.80	24.20	16.50	20.60	29.10	25.40
Onions ($/cwt)	12.50	13.00	15.80	12.60	34.50	18.00	10.20	8.34	8.25	12.80
Dry edible beans ($/cwt)	15.60	19.90	24.10	18.60	25.40	26.00	25.60	25.20	25.30	26.90
Apples for fresh use (cts./lb.)	25.1	19.5	18.2	17.8	18.7	16.9	16.1	14.8	13.7	13.1
Pears for fresh use ($/ton)	385.00	378.00	280.00	390.00	256.00	224.00	208.00	194.00	175.00	326.00
Oranges, all uses ($/box) 3/	6.79	5.50	3.11	5.19	4.14	4.48	5.35	5.61	5.31	3.47
Grapefruit, all uses ($/box) 3/	5.55	6.23	2.60	3.92	3.20	2.54	2.27	1.53	0.97	1.82
LIVESTOCK										
Beef cattle ($/cwt)	72.87	71.33	73.38	72.50	70.20	72.30	72.00	67.20	62.70	63.10
Calves ($/cwt)	99.93	89.38	95.92	96.90	95.00	97.60	95.70	89.60	84.90	82.80
Hogs ($/cwt)	48.78	41.82	45.40	45.70	47.90	44.40	42.70	42.60	42.60	42.20
Lambs ($/cwt)	52.49	60.78	64.60	53.90	60.00	58.80	54.70	54.70	61.10	68.30
All milk, sold to plants ($/cwt)	12.27	13.15	12.86	12.80	13.50	13.50	13.50	12.90	12.70	12.60
Milk, manuf. grade ($/cwt)	11.05	11.91	11.60	11.20	12.30	12.50	12.60	11.50	11.00	11.20
Broilers (cts./lb.)	31.0	30.8	34.2	35.5	34.0	35.3	35.3	37.1	37.7	36.9
Eggs (cts./doz.) 4/	66.0	56.2	62.7	57.7	63.7	65.9	61.7	58.2	58.2	57.2
Turkeys (cts./lb.)	37.7	37.6	39.0	38.7	37.1	38.4	39.1	39.5	40.0	41.2

1/ Season average price by crop year for crops. Calendar year average of monthly prices for livestock. 2/ Excludes Hawaii. 3/ Equivalent on-tree returns. 4/ Average of all eggs sold by producers including hatching eggs & eggs sold at retail. 5/ Average for Aug. 1 - Mar. 31. P = preliminary. R = revised. — = not available.

Information contact: Ann Duncan (202) 501-8541.

Producer & Consumer Prices

Table 6.—Consumer Price Index for All Urban Consumers, U.S. Average (Not Seasonally Adjusted)

	Annual	1993		1994						
	1993	July	Dec	Jan	Feb	Mar	Apr	May	June	July
				1982-84=100						
Consumer Price Index, all items	144.5	144.4	145.8	146.2	146.7	147.2	147.4	147.5	148.0	148.4
Consumer Price Index, less food	145.1	145.2	146.4	146.6	147.3	148.0	148.1	148.3	148.8	149.1
All food	140.9	140.3	142.7	143.7	142.9	143.2	143.4	143.5	143.5	144.2
Food away from home	143.2	143.4	144.3	144.5	144.6	144.6	145.1	145.3	145.5	145.6
Food at home	140.1	139.1	142.3	143.6	142.6	142.8	143.0	143.0	142.9	144.0
Meats 1/	134.6	135.5	135.9	136.1	136.0	136.4	136.0	136.2	135.4	134.7
Beef & veal	137.1	137.4	137.7	137.3	136.9	138.0	137.1	137.1	136.1	134.4
Pork	131.7	134.2	133.1	133.9	134.1	134.6	133.5	134.4	134.6	134.7
Poultry	136.9	136.0	141.1	140.5	140.4	140.1	140.9	141.8	143.6	144.1
Fish	156.6	153.2	158.7	163.2	160.9	161.8	163.7	161.6	162.5	163.2
Eggs	117.1	115.1	116.0	118.5	117.4	120.5	115.7	107.3	110.8	109.2
Dairy products 2/	129.4	130.2	130.2	131.6	131.8	131.8	131.8	132.0	132.2	131.8
Fats & oils 3/	130.0	130.4	129.4	131.3	131.5	132.6	133.2	133.4	133.5	135.1
Fresh fruit	188.8	178.7	205.4	207.2	194.8	199.1	198.1	204.6	193.3	199.6
Processed fruit	132.3	131.0	133.7	134.6	133.0	133.3	133.9	132.6	132.6	133.8
Fresh vegetables	168.4	155.8	174.9	181.7	168.1	167.0	163.9	162.8	168.7	170.2
Potatoes	154.6	165.2	165.0	169.4	171.3	179.8	186.3	179.9	185.7	194.1
Processed vegetables	130.8	131.2	132.8	135.6	136.1	135.7	136.4	137.2	137.3	138.4
Cereals & bakery products	156.6	157.2	158.9	160.3	161.3	160.4	162.5	162.3	163.4	163.9
Sugar & sweets	133.4	133.2	133.3	134.9	135.6	135.3	135.9	135.5	134.9	135.2
Beverages, nonalcoholic	114.6	114.4	114.8	116.1	116.0	116.0	115.5	115.6	115.8	122.8
Apparel	131.9	126.9	130.3	127.5	130.1	134.5	134.7	133.6	131.4	128.1
Apparel, commodities less footwear	125.9	123.9	125.8	125.9	125.9	127.0	128.0	128.5	127.3	125.0
Footwear	228.4	235.8	215.5	217.6	217.4	217.7	218.0	220.6	220.6	221.3
Tobacco & smoking products	149.6	149.6	150.3	151.0	151.1	151.4	151.6	151.5	151.7	151.6
Beverages, alcoholic										

1/ Beef, veal, lamb, pork, & processed meat. 2/ Includes butter. 3/ Excludes butter.

Information contact: Ann Duncan (202) 501-8541.

Table 7.—Producer Price Indexes, U.S. Average (Not Seasonally Adjusted)

	Annual			1993	1994					
	1991	1992	1993	June	Jan	Feb R	Mar	Apr	May	June
					1982 = 100					
All commodities	116.5	117.2	118.9	119.5	119.1	119.3	119.7	119.8	119.9	120.4
Finished goods 1/	121.7	123.2	124.7	125.5	124.5	124.8	125.0	125.0	125.3	125.5
All foods 2/	122.2	120.9	123.6	123.2	125.8	125.1	126.1	125.7	125.2	124.2
Consumer foods	124.1	123.3	125.7	125.4	127.0	126.7	127.5	127.0	126.5	125.9
Fresh fruit & melons	129.9	84.0	84.2	83.2	82.7	85.5	86.3	80.8	89.6	80.2
Fresh & dried vegetables	103.8	115.0	133.5	104.5	154.3	116.9	116.6	113.3	117.1	120.5
Dried fruit	111.8	114.6	118.2	118.5	121.1	121.5	120.6	120.6	123.0	123.3
Canned fruit & juice	128.6	134.5	128.1	124.7	126.7	126.8	125.7	126.8	125.9	126.4
Frozen fruit & juice	116.3	125.9	110.9	110.2	118.1	113.6	113.1	113.0	112.2	110.6
Fresh veg. excl. potatoes	100.2	116.4	126.4	80.7	146.3	99.3	96.1	91.4	91.5	94.9
Canned veg. & juices	112.9	109.5	110.6	109.9	113.1	116.1	117.4	115.7	119.7	118.6
Frozen vegetables	117.6	116.4	121.0	121.1	125.5	126.1	127.6	126.7	128.2	127.2
Potatoes	125.7	118.4	144.9	147.5	170.5	165.6	180.3	167.8	147.8	150.8
Eggs for fresh use (1991=100)	3/	78.6	86.6	87.8	82.9	88.3	91.8	81.5	89.2	74.9
Bakery products	146.6	152.5	156.6	156.4	158.5	158.0	158.9	159.2	159.6	160.1
Meats	113.5	106.7	110.5	113.6	106.2	108.6	109.9	109.4	108.5	103.5
Beef & veal	112.2	109.5	112.9	116.4	105.0	105.5	110.3	110.4	106.6	101.2
Pork	113.4	98.9	105.4	109.6	104.0	111.3	107.7	105.7	103.1	101.8
Processed poultry	109.9	109.0	111.6	111.2	112.7	113.1	116.3	117.2	116.9	117.1
Fish	149.5	156.1	156.7	156.5	171.2	155.3	162.1	159.2	158.1	160.1
Dairy products	114.6	117.9	118.1	119.5	120.3	119.9	120.8	121.5	121.1	118.7
Processed fruits & vegetables	119.6	120.8	118.3	117.6	120.8	121.6	121.9	121.5	122.8	122.2
Shortening & cooking oil	116.5	115.1	123.0	119.3	140.1	140.2	139.7	141.7	143.3	141.0
Soft drinks	125.5	125.6	126.3	126.6	126.9	127.9	126.9	126.9	126.9	126.8
Consumer finished goods less foods	118.7	120.8	121.7	123.4	119.9	120.5	120.5	120.7	121.3	121.9
Beverages, alcoholic	123.7	126.1	126.0	125.7	126.4	126.6	126.0	126.0	125.3	124.2
Apparel	119.6	122.2	123.2	123.1	123.3	123.5	123.5	123.2	123.6	123.3
Footwear	128.6	132.0	134.4	134.2	135.5	135.1	135.4	135.7	135.7	135.2
Tobacco products	249.7	275.3	280.1	289.2	224.7	224.7	224.7	224.7	224.7	224.8
Intermediate materials 4/	114.4	114.7	118.2	116.7	118.2	118.8	118.8	118.8	117.3	118.0
Materials for food manufacturing	115.3	113.9	115.6	115.0	118.9	119.2	119.9	120.9	120.3	118.1
Flour	96.8	109.5	109.3	106.6	113.9	112.6	111.9	110.1	111.0	108.4
Refined sugar 5/	121.6	119.8	118.3	117.5	117.8	118.0	118.3	118.1	118.4	118.5
Crude vegetable oils	103.0	97.1	110.3	99.8	142.4	138.4	140.3	136.7	138.5	136.6
Crude materials 6/	101.2	100.4	102.4	104.2	103.2	101.8	104.8	104.4	103.3	103.6
Foodstuffs & feedstuffs	105.5	105.1	108.4	107.2	112.2	113.1	114.0	113.1	110.0	107.7
Fruits & vegetables & nuts 7/	114.7	96.9	106.0	93.9	113.3	99.4	99.8	96.1	101.0	98.8
Grains	92.0	97.3	94.4	85.3	118.0	116.8	112.6	109.3	106.8	110.1
Livestock	107.9	104.7	107.0	109.8	100.7	103.6	104.7	104.9	98.5	92.4
Poultry, live	111.2	112.6	122.0	118.9	110.9	119.6	129.5	126.8	138.2	135.2
Fibers, plant & animal	115.1	89.8	91.3	90.5	107.1	119.0	120.8	123.4	129.2	129.4
Fluid milk	89.5	96.1	83.8	96.6	99.3	98.2	98.4	99.6	97.6	94.0
Oilseeds	106.4	107.5	115.9	109.6	127.4	127.4	129.4	125.3	125.5	129.9
Tobacco, leaf	101.1	101.0	99.6	91.8	105.5	109.4	98.3	—	98.9	—
Sugar, raw cane	113.7	112.1	113.2	112.4	115.1	114.9	114.9	115.4	115.6	116.9

1/ Commodities ready for sale to ultimate consumer. 2/ Includes all raw, intermediate, & processed foods (excludes soft drinks, alcoholic beverages, & manufactured animal feeds). 3/ New index beginning Dec. 1991. 4/ Commodities requiring further processing to become finished goods. 5/ All types & sizes of refined sugar. 6/ Products entering market for the first time that have not been manufactured at that point. 7/ Fresh & dried. R = revised.

Information contact: Ann Duncan (202) 501-8541.

Farm-Retail Price Spreads

Table 8.—Farm-Retail Price Spreads

	Annual			1993	1994					
	1991	1992	1993	June	Jan	Feb	Mar	Apr	May	June
Market basket 1/										
Retail cost (1982–84=100)	137.4	138.4	141.9	141.1	145.8	144.4	144.6	144.8	144.9	144.9
Farm value (1982–84=100)	106.1	103.4	104.9	104.4	106.3	105.1	106.1	103.1	103.0	99.9
Farm–retail spread (1982–84=100)	154.2	157.3	161.9	160.8	167.1	165.5	165.3	167.3	167.5	169.1
Farm value–retail cost (%)	27.0	26.2	25.9	25.9	25.5	25.5	25.7	24.9	24.9	24.2
Meat products										
Retail cost (1982–84=100)	132.5	130.7	134.6	134.9	136.1	136.0	136.4	136.0	136.2	135.4
Farm value (1982–84=100)	110.0	104.5	107.2	111.8	97.1	101.5	103.1	102.1	99.3	93.0
Farm–retail spread (1982–84=100)	155.6	157.5	162.8	158.6	176.2	171.4	170.5	170.9	174.0	179.9
Farm value–retail cost (%)	42.0	40.5	40.3	42.0	36.1	37.8	38.3	38.0	36.9	34.8
Dairy products										
Retail cost (1982–84=100)	125.1	128.5	129.4	129.6	131.6	131.8	131.8	131.6	132.0	132.2
Farm value (1982–84=100)	90.0	95.9	93.0	96.5	98.1	96.3	96.6	96.2	96.7	95.9
Farm–retail spread (1982–84=100)	157.5	158.6	162.9	160.5	162.5	164.6	154.2	164.6	164.5	165.6
Farm value–retail cost (%)	34.5	35.8	34.5	35.7	35.8	35.0	35.2	35.0	35.2	34.8
Poultry										
Retail cost (1982–84=100)	131.5	131.4	136.9	136.5	140.5	140.4	140.1	140.9	141.8	143.6
Farm value (1982–84=100)	102.5	104.0	111.5	111.3	108.3	110.1	114.3	114.6	119.7	121.5
Farm–retail spread (1982–84=100)	164.9	163.0	166.2	165.5	177.5	175.3	169.8	171.2	167.3	169.0
Farm value–retail cost (%)	41.7	42.4	43.8	43.6	41.3	42.0	43.7	43.5	45.2	45.3
Eggs										
Retail cost (1982–84=100)	121.2	108.3	117.1	118.4	118.5	117.4	120.5	115.7	107.3	110.8
Farm value (1982–84=100)	100.9	77.8	68.9	88.5	86.6	89.9	95.4	65.2	78.0	77.0
Farm–retail spread (1982–84=100)	157.6	163.2	167.8	166.5	175.8	166.8	165.6	170.4	159.9	171.5
Farm value–retail cost (%)	53.5	46.1	48.8	48.9	47.0	49.2	50.9	47.3	46.7	44.6
Cereal & bakery products										
Retail cost (1982–84=100)	145.8	151.5	156.8	156.7	160.3	161.3	160.4	162.5	162.3	163.4
Farm value (1982–84=100)	85.3	94.7	91.4	94.1	106.4	108.7	110.8	107.9	105.1	100.9
Farm–retail spread (1982–84=100)	154.3	159.4	165.6	166.8	167.8	168.6	167.3	170.1	170.3	172.1
Farm value–retail cost (%)	7.2	7.7	7.1	6.6	8.1	8.2	8.5	8.1	7.9	7.6
Fresh fruits										
Retail cost (1982–84=100)	200.1	189.6	195.8	180.9	217.0	198.8	204.5	205.0	212.5	200.8
Farm value (1982–84=100)	174.4	122.5	134.8	133.7	135.5	115.1	114.3	113.1	124.9	103.3
Farm–retail spread (1982–84=100)	211.9	220.6	224.0	202.7	254.6	237.5	246.1	247.4	252.9	245.5
Farm value–retail cost (%)	27.5	20.4	21.7	23.3	19.7	18.3	17.7	17.4	18.6	16.3
Fresh vegetables										
Retail costs (1982–84=100)	154.4	157.9	168.4	167.1	181.7	168.1	167.0	163.8	162.8	168.7
Farm value (1982–84=100)	110.8	120.5	128.4	95.6	168.3	138.5	132.2	102.5	110.0	112.3
Farm–retail spread (1982–84=100)	176.8	177.2	169.0	203.9	188.6	183.3	184.9	195.3	189.9	197.7
Farm value–retail cost (%)	24.4	25.9	25.9	19.4	31.5	28.0	26.9	21.3	23.0	22.6
Processed fruits & vegetables										
Retail cost (1982–84=100)	130.2	133.7	131.5	130.0	135.0	134.2	134.2	134.8	134.4	134.5
Farm value (1982–84=100)	120.6	129.0	106.3	102.7	117.0	115.5	114.6	113.6	114.0	113.5
Farm–retail spread (1982–84=100)	133.2	135.2	139.4	138.5	140.6	140.0	140.3	141.4	140.8	141.1
Farm value–retail costs (%)	22.0	22.9	19.2	18.8	20.6	20.5	20.3	20.0	20.2	20.1
Fats & oils										
Retail cost (1982–84=100)	131.7	129.8	130.0	130.1	131.3	131.5	132.6	133.2	133.4	133.5
Farm value (1982–84=100)	98.0	93.2	107.5	101.6	136.9	126.1	129.5	123.5	129.0	126.2
Farm–retail spread (1982–84=100)	144.2	143.3	138.3	140.6	129.2	133.5	133.8	136.8	135.0	136.2
Farm value–retail cost (%)	20.0	19.3	22.2	21.0	28.0	25.8	26.3	24.9	26.0	25.4

	Annual			1993	1994					
	1991	1992	1993	July	Feb	Mar	Apr	May	June	July
Beef, Choice										
Retail price 2/ (cts./lb.)	288.3	284.6	293.4	296.7	284.9	288.3	287.1	288.1	283.3	280.1
Wholesale value 3/ (cts.)	182.5	179.6	182.5	175.9	172.7	176.9	176.8	167.6	158.5	160.4
Net farm value 4/ (cts.)	160.2	161.6	164.1	157.6	155.5	160.6	160.8	145.8	133.9	137.2
Farm–retail spread (cts.)	128.1	122.8	129.3	139.1	129.4	127.7	126.3	142.3	149.4	142.9
Wholesale–retail 5/ (cts.)	105.8	105.0	110.9	120.8	112.2	111.4	110.3	120.5	124.8	119.7
Farm–wholesale 6/ (cts.)	22.3	17.8	18.4	18.3	17.2	16.3	16.0	21.8	24.6	23.2
Farm value–retail price (%)	56	57	56	53	55	56	56	51	47	49
Pork										
Retail price 2/ (cts./lb.)	211.9	198.0	197.6	200.2	199.9	201.4	198.7	198.8	199.0	200.5
Wholesale value 3/ (cts.)	108.9	98.9	102.8	102.6	108.1	105.0	103.3	102.2	99.1	99.9
Net farm value 4/ (cts.)	78.4	67.8	72.5	73.6	78.8	70.2	67.6	67.4	67.8	67.5
Farm–retail spread (cts.)	133.5	130.2	125.1	128.6	123.3	131.2	131.1	131.4	131.2	133.0
Wholesale–retail 5/ (cts.)	103.0	99.1	94.8	97.4	91.8	96.4	95.4	96.6	99.9	100.6
Farm–wholesale 6/ (cts.)	30.5	31.1	30.3	29.2	31.5	34.8	35.7	34.8	31.3	32.4
Farm value–retail price (%)	37	34	37	37	38	35	34	34	34	34

1/ Retail costs are based on CPI–U of retail prices for domestically produced farm foods, published monthly by BLS. The farm value is the payment for the quantity of farm equivalent to the retail unit, less allowance for byproduct. Farm values are based on prices at first point of sale & may include marketing charges such as grading & packing for some commodities. The farm–retail spread, the difference between the retail price & the farm value, represents charges for assembling, processing, transporting, distributing. 2/ Weighted average price of retail cuts from pork & choice yield grade 3 beef. Prices from BLS. 3/ Value of wholesale (boxed beef) & wholesale cuts (pork) equivalent to 1 lb. of retail cuts adjusted for transportation costs & byproduct values. 4/ Market value to producer for live animal equivalent to 1 lb. of retail cuts, minus value of byproducts. 5/ Charges for retailing & other marketing services such as wholesaling, & in–city transportation. 6/ Charges for livestock marketing, processing, & transportation.

Information contacts: Denis Dunham (202) 219–0867, Larry Duewer (202) 219–1269.

Table 9.—Price Indexes of Food Marketing Costs

(See the August 1994 issue.)
Information contact: Denis Dunham (202) 219-0867.

Livestock & Products

Table 10.—U.S. Meat Supply & Use

	Beg stocks	Production 1/	Imports	Total supply	Exports	Ending stocks	Consumption: Total	Consumption: Per capita 2/	Primary market price 3/
	Million pounds 4/							Pounds	
Beef									
1992	419	23,086	2,440	25,945	1,324	360	24,261	66.5	75.36
1993	360	23,049	2,401	25,810	1,275	529	24,006	65.1	76.36
1994 F	529	24,045	2,385	26,959	1,480	475	25,004	67.1	69–71
1995 F	475	24,557	2,450	27,482	1,545	450	25,487	67.7	66–72
Pork									
1992	388	17,234	645	18,267	407	385	17,475	63.1	43.03
1993	385	17,088	740	18,213	435	359	17,418	52.3	46.10
1994 F	359	17,430	795	18,584	445	375	17,764	52.8	43–44
1995 F	375	18,458	675	19,508	465	375	18,668	55.0	38–42
Veal 5/									
1992	7	310	0	317	0	5	312	1.0	89.38
1993	5	285	0	290	0	4	286	0.9	95.92
1994 F	4	292	0	296	0	5	291	0.9	90–93
1995 F	5	290	0	295	0	5	290	0.9	87–93
Lamb & mutton									
1992	6	348	50	404	8	8	388	1.4	61.00
1993	8	337	53	396	8	8	381	1.3	65.65
1994 F	8	332	51	391	8	9	374	1.3	58–60
1995 F	9	308	60	377	8	9	360	1.2	60–66
Total red meat									
1992	820	40,978	3,135	44,933	1,739	758	42,436	121.9	—
1993	758	40,759	3,194	44,711	1,718	900	42,092	119.6	—
1994 F	900	42,099	3,231	46,230	1,933	864	43,433	122.1	—
1995 F	864	43,613	3,185	47,662	2,018	839	44,805	124.9	—
Broilers									
1992	300	20,904	0	21,204	1,489	368	19,347	66.8	52.6
1993	368	22,015	0	22,383	1,966	358	20,059	68.3	55.2
1994 F	358	23,284	0	23,642	2,450	400	20,792	70.1	56–58
1995 F	400	24,365	0	24,765	2,555	390	21,820	72.8	52–56
Mature chicken									
1992	10	520	0	530	41	10	479	1.9	—
1993	10	515	0	525	56	8	461	1.8	—
1994 F	8	517	0	524	70	7	448	1.7	—
1995 F	7	522	0	529	70	6	453	1.7	—
Turkeys									
1992	264	4,777	0	5,041	171	272	4,599	18.0	60.2
1993	272	4,798	0	5,069	212	249	4,608	17.8	62.6
1994 F	249	4,928	0	5,177	280	265	4,632	17.8	63–64
1995 F	265	5,047	0	5,312	295	265	4,752	18.0	59–63
Total poultry									
1992	575	26,201	0	26,775	1,701	650	24,425	86.4	—
1993	650	27,328	0	27,977	2,234	615	25,128	87.9	—
1994 F	615	28,729	0	29,344	2,801	672	25,871	89.5	—
1995 F	672	29,934	0	30,606	2,920	661	27,025	92.6	—
Red meat & poultry									
1992	1,395	67,179	3,135	71,708	3,440	1,408	66,861	208.4	—
1993	1,408	68,087	3,194	72,688	3,953	1,515	67,221	207.6	—
1994 F	1,515	70,828	3,231	75,574	4,734	1,536	69,304	211.7	—
1995 F	1,536	73,547	3,185	78,268	4,938	1,500	71,830	217.4	—

1/ Total including farm production for red meats & federally inspected plus nonfederally inspected for poultry. 2/ Retail weight basis. (The beef carcass-to-retail conversion factor was 70 5). 3/ Dollars per cwt for red meat; cents per pound for poultry. Beef: Medium # 1, Nebraska Direct 1,100–1,300 lb.; pork: barrows & gilts, Iowa, Southern Minnesota; veal: farm price of calves; lamb & mutton: Choice slaughter lambs, San Angelo; broilers: wholesale 12-city average; turkeys: wholesale NY 8–16 lb. young hens. 4/ Carcass weight for red meats & certified ready-to-cook for poultry. 5/ Beginning in 1989, veal trade is no longer reported separately. F = forecast. — = not available.

Information contacts: Polly Cochran or Maxine Davis (202) 219–0998.

Table 11.—U.S. Egg Supply & Use

	Beg. stocks	Production	Imports	Total supply	Exports	Hatching use	Ending stocks	Consumption: Total	Consumption: Per capita	Wholesale price*
	Million dozen								No.	Cts./doz.
1988	14.4	5,784.2	5.3	5,603.9	141.8	605.9	15.2	5,041.0	246.9	62.1
1989	15.2	5,596.2	25.2	5,638.5	91.6	643.9	10.7	4,892.4	237.3	81.9
1990	10.7	5,665.6	9.1	5,685.3	100.8	678.5	11.6	4,894.4	235.0	82.2
1991	11.6	5,779.3	2.3	5,793.3	154.5	708.6	13.0	4,917.2	233 5	77.5
1992	13.0	5,684.8	4.3	5,902.1	157.0	732.0	13.5	4,999 6	234.8	65.4
1993	13.5	5,960.2	4.7	5,978.3	158.9	769.3	10.7	5,039.4	234.2	72.5
1994 P	10.7	6,070.6	4.5	8,086.0	167.2	799.7	12.0	5,098.1	234.5	68–69
1995 F	12.0	6,115.0	4.5	6,131.5	165.0	830.0	12.0	5,124.5	233.4	64–70

* Cartoned grade A large eggs, New York. F = forecast P = preliminary.

Information contact: Maxine Davis (202) 501–6777.

Table 12.—U.S. Milk Supply & Use[1/]

	Production	Farm use	Commercial: Farm marketings	Commercial: Beg. stock	Imports	Total commercial supply	CCC net removals	Commercial: Ending stocks	Commercial: Disappearance	All milk price 1/	CCC net removals: Skim solids basis	CCC net removals: Total solids basis 2/
	Billion pounds (milkfat basis)									$/cwt	Billion pounds	
1986	143.1	2.4	140.7	4 5	2 7	147.9	10.8	4.1	133.0	12.51	14.3	12.9
1987	142.7	2.3	140.5	4.1	2.5	147.1	6.8	4.8	135 7	12 54	9 3	8 3
1988	145 2	2 2	142.9	4.6	2 4	149 9	9.1	4 3	136.5	12 26	5 5	6 9
1989	144 2	2.1	142 2	4 3	2.5	149.0	9.4	4,1	135.4	13 56	0.4	4.0
1990	148 3	2.0	146.3	4.1	2.7	153.1	9.0	5.1	138 9	13 88	1 8	4 6
1991	148 5	2 0	146.5	5 1	2.6	154.3	10.4	4.5	139.4	12 24	3 9	6 5
1992	151.6	1.9	149.7	4 5	2 5	156.7	10.0	4.7	142.1	13.09	2.0	5.4
1993	151.0	1.9	149 0	4.7	2 8	156.5	6.7	4.8	145 2	12 86	4 2	5 2
1994 F	153.5	1.9	151.6	4.8	2.8	159.0	4.8	4 5	149 7	13.20	4 5	4 6

1/ Delivered to plants & dealers; does not reflect deductions. 2/ Arbitrarily weighted average of milkfat basis (40 percent) & skim solids basis (60 percent). F = forecast

Information contact: Jim Miller (202) 219–0770

Table 13.—Poultry & Eggs

	Annual: 1991	Annual: 1992	Annual: 1993	1993: June	1994: Jan	1994: Feb	1994: Mar	1994: Apr	1994: May	1994: June
Broilers										
Federally inspected slaughter, certified (mil. lb.)	19,727.7	21,052.4	22,178.1	1,979 4	1,867.0	1,758.0	2,028.0	1,923 2	1,981.3	2,063.1
Wholesale price, 12-city (cts./lb.)	52.0	52.6	55.2	55 0	52.7	55 2	57.5	57 8	61.4	60.7
Price of grower feed ($/ton)	208	208	209	212	223	227	221	221	225	222
Broiler–feed price ratio 1/	3.0	3.1	3 3	3.3	3.0	3.0	3.2	3.2	3.3	3.4
Stocks beginning of period (mil. lb.)	241.6	300.4	367.9	378.6	357.9	381.0	405.9	373.2	403.8	414.5
Broiler–type chicks hatched (mil.) 2/	6,616.5	6,892 6	7,218.3	619.3	617.7	557.6	643.0	629.2	661.0	646
Turkeys										
Federally inspected slaughter, certified (mil. lb.)	4,651.9	4,828.9	4,847.7	446 7	347 8	342.0	400 9	380.8	416.6	453.3
Wholesale price, Eastern U.S., 8–16 lb. young hens (cts./lb.)	61 3	60.2	62 6	58 3	60.1	59.3	61.0	61 6	63.1	64.6
Price of turkey grower feed ($/ton)	231	242	248	251	254	256	256	261	255	258
Turkey–feed price ratio 1/	3.3	3.1	3.1	3.0	2.9	2 9	3.0	3.0	3.1	3.1
Stocks beginning of period (mil. lb.)	306.4	284 1	271.7	474.0	249.1	279.8	304.8	346.5	399.1	463.7
Poults placed in U.S. (mil.)	308.1	307.8	308.9	28.5	25.4	25.1	28.4	28.1	29 5	28.6
Eggs										
Farm production (mil.)	69,352	70,618	71,522	5,816	6,137	5,559	6,279	6,035	6,158	5,962
Average number of layers (mil.)	275	278	283	281	288	288	289	290	289	287
Rate of lay (eggs per layer on farms)	252.4	253.9	252.6	20.7	21.3	19.3	21.7	20.9	21.4	20.8
Cartoned price, New York, grade A large (cts./doz.) 3/	77.5	65.4	72 5	74.7	68.0	72.1	74.4	65.0	61.9	62.9
Price of laying feed ($/ton)	192	199	202	201	217	220	220	216	216	216
Egg–feed price ratio 1/	6.8	5.7	6 2	6.6	5.7	5 8	6.0	5.7	5.4	5 4
Stocks, first of month										
Shell (mil. doz.)	0.45	0.63	0.45	0.18	0.30	0.21	0.24	0 27	0.24	0.24
Frozen (mil. doz.)	11.2	12.3	13.0	11.8	10.4	11.2	12.0	11.9	12.4	11.5
Replacement chicks hatched (mil.)	420	386	406	35 8	32.8	31.1	33.3	35.7	35 2	31.9

1/ Pounds of feed equal in value to 1 dozen eggs or 1 lb. of broiler or turkey liveweight. 2/ Placement of broiler chicks is currently reported for 15 States only; henceforth, hatch of broiler–type chicks will be used as a substitute. 3/ Price of cartoned eggs to volume buyers for delivery to retailers.

Information contact: Maxine Davis (202) 501–6777.

Table 14.—Dairy

	Annual			1993	1994					
	1991	1992	1993	June	Jan	Feb	Mar	Apr	May	June
Milk prices, Minnesota–Wisconsin, 3.5% fat ($/cwt) 1/	11.05	11.88	11.80	12.03	12.41	12.41	12.77	12.99	11.51	11.25
Wholesale prices										
Butter, grade A Chi. (cts./lb.)	99.3	82.5	74.4	78.2	64.0	64.0	65.5	65.5	64.5	65.1
Am. cheese, Wis. assembly pt. (cts./lb.)	124.4	131.9	131.5	133.7	132.2	134.2	140.0	143.3	125.7	120.2
Nonfat dry milk (cts./lb.) 2/	94.0	107.1	112.0	112.9	109.8	109.9	110.5	110.8	108.5	106.1
USDA net removals 3/										
Total milk equiv. (mil. lb.) 4/	10,426.0	9,936.6	6,348.8	699.7	1,098.5	999.5	262.4	362.7	1,065.9	509.1
Butter (mil. lb.)	442.9	439.5	274.8	30.4	49.5	45.2	11.4	15.6	47.9	22.1
Am. cheese (mil. lb.)	76.9	14.4	8.3	0.5	0.1	0.2	0.1	0.1	0.1	0.2
Nonfat dry milk (mil. lb.)	269.5	136.7	304.3	18.4	14.9	21.8	14.3	37.7	18.3	27.6
Milk										
Milk prod. 21 States (mil. lb.)	125,671	128,223	127,383	10,940	10,637	9,802	11,079	11,038	11452	11,003
Milk per cow (lb.)	14,977	15,544	15,680	1,346	1,323	1,222	1,384	1,377	1,428	1,369
Number of milk cows (1,000)	8,391	8,249	8,124	8,130	8,042	8,018	8,005	8,014	8,021	8,037
U.S. milk production (mil. lb.)	148,477	151,647	150,954	6/ 12,957	6/ 12,721	6/ 11,722	6/ 13,249	6/ 13,171	6/ 13,685	6/ 13,129
Stock, beginning										
Total (mil. lb.)	13,359	15,841	14,215	17,589	9,570	10,238	9,894	10,081	10,581	11,258
Commercial (mil. lb.)	5,146	4,461	4,688	4,929	4,550	5,090	4,776	4,776	5,179	5,502
Government (mil. lb.)	8,213	11,379	9,526	12,660	5,020	5,148	5,118	5,305	5,401	5,756
Imports, total (mil. lb.)	2,625	2,524	2,807	212	209	185	259	255	191	---
Commercial disappearance (mil. lb.)	139,343	142,081	145,653	11,892	11,131	11,076	13,085	12,504	12,306	---
Butter										
Production (mil. lb.)	1,335.8	1,365.2	1,315.2	102.3	131.8	119.6	117.8	119.3	118.8	102.1
Stocks, beginning (mil. lb.)	416.1	539.4	447.7	559.0	234.7	251.0	243.2	253.5	265.7	281.4
Commercial disappearance (mil. lb.)	903.5	944.2	1,054.6	79.8	73.0	81.0	107.7	92.7	71.0	---
American cheese										
Production (mil. lb.)	2,768.9	2,936.6	2,957.3	270.5	247.3	221.3	249.8	254.3	264.0	266.9
Stocks, beginning (mil. lb.)	347.4	318.7	346.7	353.0	358.7	381.6	361.7	350.5	357.4	383.5
Commercial disappearance (mil. lb.)	2,756.7	2,902.7	2,945.5	211.6	224.3	241.2	262.8	248.1	238.4	---
Other cheese										
Production (mil. lb.)	3,285.9	3,551.7	3,570.9	292.6	291.2	266.2	335.0	299.0	323.5	296.5
Stocks, beginning (mil. lb.)	110.6	97.5	120.9	131.7	107.0	115.5	113.8	123.2	130.8	133.1
Commercial disappearance (mil. lb.)	3,575.2	3,795.4	3,884.3	315.2	302.2	307.3	353.7	320.6	343.3	---
Nonfat dry milk										
Production (mil. lb.)	877.5	872.1	948.1	93.7	89.2	85.4	102.5	123.2	132.3	115.8
Stocks, beginning (mil. lb.)	161.9	214.8	81.2	113.0	89.6	86.6	80.9	87.4	89.8	124.9
Commercial disappearance (mil. lb.)	662.7	720.5	642.3	44.8	75.3	66.8	100.1	62.8	76.7	---
Frozen dessert										
Production (mil. gal.) 5/	1,203.1	1,195.8	1,198.3	124.9	76.7	86.2	111.2	110.6	112.6	123.6

	Annual			1992	1993				1994	
	1991	1992	1993	IV	I	II	III	IV	I	II
Milk production (mil. lb.)	148,477	151,647	150,954	37,132	37,608	39,411	37,364	36,571	37,692	39,965
Milk per cow (lb.)	14,880	15,419	15,554	3,780	3,848	4,052	3,862	3,792	3,921	4,147
No. of milk cows (1,000)	9,992	9,835	9,705	9,823	9,773	9,727	9,675	9,644	9,612	9,638
Milk–feed price ratio	1.58	1.69	1.64	1.69	1.61	1.67	1.62	1.66	1.65	1.60
Returns over concentrate costs ($/cwt milk)	8.95	9.95	9.54	9.75	9.05	9.55	9.35	9.95	10.10	9.60

1/ Manufacturing grade milk. 2/ Prices paid f.o.b. Central States production area. 3/ Includes products exported through the Dairy Export Incentive Program (DEIP). 4/ Milk equivalent, fat basis. 5/ Hard ice cream, ice milk, & hard sherbet. 6/ Estimated. --- = not available.

Information contact: LaVerne T. Williams (202) 219–1268

Table 15.—Wool

	Annual			1993				1994	
	1991	1992	1993	I	II	III	IV	I	II
U.S. wool price, (cts./lb.) 1/	199	204	137	146	134	136	132	153	219
Imported wool price, (cts./lb.) 2/	187	210	142	150	137	128	150	171	202
U.S. mill consumption, scoured									
Apparel wool (1,000 lb.)	137,187	136,143	139,941	35,549	35,910	35,502	34,419	36,520	—
Carpet wool (1,000 lb.)	14,352	14,695	15,665	4,513	4,343	2,650	3,925	4,380	—

1/ Wool price delivered at U.S. mills, clean basis, Graded Territory 64's (20.60–22.04 microns) staple 2-3/4" & up. 2/ Wool price, Charleston, SC warehouse, clean basis, Australian 60/62's, type 64A (24 micron). Duty since 1982 has been 10.0 cents. — = not available.

Information contact: John Lawler (202) 501–8522.

Table 16.—Meat Animals

	Annual			1993	1994					
	1991	1992	1993	Jun	Jan	Feb	Mar	Apr	May	Jun
Cattle on feed (7 States)										
Number on feed (1,000 head) 1/	8,992	8,397	9,073	8,323	9,280	9,142	8,911	8,867	8,581	8,215
Placed on feed (1,000 head)	19,704	20,498	20,393	1,430	1,543	1,348	1,625	1,408	1,425	1,200
Marketings (1,000 head)	19,071	18,623	18,988	1,743	1,610	1,501	1,583	1,610	1,899	1,765
Other disappearance (1,000 head)	1,233	1,199	1,199	107	71	76	88	82	92	101
Market prices ($/cwt)										
Slaughter Cattle										
Choice steers, 1,100–1,300 lb.										
Texas	74.21	75.35	76.36	76.70	72.01	72.44	74.85	75.16	68.09	63.13
Neb. Direct	74.68	75.71	77.02	77.31	72.88	73.03	75.41	75.48	67.00	63.50
Boning utility cows, Sioux Falls	50.66	44.84	47.52	49.44	42.54	44.06	46.72	47.31	46.67	44.50
Feeder steers										
Medium no. 1, Oklahoma City										
600–650 lb.	—	86.47	91.72	98.70	86.88	88.59	91.41	89.44	86.15	81.47
750–800 lb.	—	81.76	86.45	88.25	83.20	81.91	81.31	81.19	76.08	75.63
Slaughter hogs										
Barrows & gilts, 230–250 lb										
Iowa, S. Minn.	49.69	43.03	46.10	48.98	44.26	46.50	44.58	42.83	42.87	43.01
6 markets	48.88	42.31	45.38	48.27	43.73	47.87	43.97	42.48	42.24	42.50
Feeder pigs										
S. Mo. 40–50 lb. (per head)	44.52	31.71	40.66	38.85	34.67	45.83	47.33	42.60	35.72	28.74
Slaughter sheep & lambs										
Lambs, Choice, San Angelo	53.21	61.00	65.85	57.75	56.00	62.31	61.83	51.25	50.94	56.92
Ewes, Good, San Angelo	31.98	35.24	37.46	38.00	41.55	44.68	39.70	39.45	39.00	43.00
Feeder lambs										
Choice, San Angelo	53.29	62.21	69.32	59.80	69.85	74.00	68.20	61.95	64.70	65.82
Wholesale meat prices, Midwest										
Boxed beef cut-out value										
Choice, 700–800 lb.	117.24	116.02	117.71	120.65	110.08	110.28	113.63	113.99	107.79	102.10
Select, 700–800 lb.	112.73	111.66	113.53	114.28	107.13	107.93	111.21	111.96	103.44	97.49
Canner & cutter cow beef	99.42	93.85	95.43	98.66	91.51	92.91	93.89	91.62	90.51	84.26
Pork cutout, No. 2	67.02	58.37	62.19	65.62	59.75	64.43	60.96	59.81	58.45	57.53
Pork loins, 14–18 lb.	108.39	101.41	107.47	122.28	103.90	110.75	100.45	101.89	103.99	103.84
Pork bellies, 12–14 lb.	47.79	30.39	41.62	36.24	50.63	51.66	49.68	46.84	41.40	40.39
Hams, skinned, 20–26 lb.	73.65	68.67	66.90	64.92	59.52	67.60	64.27	57.76	54.44	55.61
All fresh beef retail price	271.05	266.79	273.43	273.00	269.29	269.88	271.60	267.25	267.60	263.42
Commercial slaughter (1,000 head) 2/										
Cattle	32,689	32,874	33,324	3,013	2,744	2,558	2,660	2,712	2,835	3,039
Steers	16,728	17,138	17,222	1,611	1,402	1,299	1,436	1,448	1,577	1,705
Heifers	9,725	9,236	9,358	868	785	743	830	752	760	845
Cows	5,823	5,846	6,085	473	510	470	537	458	443	434
Bulls & stags	814	853	859	61	47	46	57	54	55	55
Calves	1,436	1,371	1,195	94	102	96	114	94	93	101
Sheep & lambs	5,721	5,496	5,182	479	395	419	530	419	435	392
Hogs	88,169	94,889	93,068	7,510	7,467	6,949	8,330	7,782	7,561	7,628
Barrows & gilts	83,668	89,964	88,387	7,100	7,101	6,596	7,907	7,416	7,193	7,202
Commercial production (mil. lb.)										
Beef	22,800	22,968	22,942	2,051	1,942	1,801	2,001	1,902	1,985	2,157
Veal	298	299	287	22	23	22	28	22	22	24
Lamb & mutton	358	343	329	31	25	27	34	27	28	24
Pork	16,948	17,184	17,030	1,377	1,377	1,275	1,530	1,432	1,397	1,411

	Annual			1993				1994		
	1991	1992	1993	I	II	III	IV	I	II	III
Cattle on feed (13 States)										
Number on feed (1,000 head) 1/	10,827	10,135	10,884	10,884	10,452	9,473	9,651	11,106	10,624	9,019
Placed on feed (1,000 head)	23,208	24,241	24,022	5,321	5,314	6,341	7,046	5,347	4,670	---
Marketings (1,000 head)	22,383	22,056	22,316	5,314	5,833	5,893	5,276	5,554	5,946	—
Other disappearance (1,000 head)	1,517	1,436	1,484	439	460	270	315	275	329	—
Hogs & pigs (10 States) 3/										
Inventory (1,000 head) 1/	42,900	45,735	46,240	46,240	45,080	46,420	46,920	46,180	45,830	47,965
Breeding (1,000 head) 1/	5,257	5,610	5,515	5,515	5,470	5,630	5,610	5,595	5,495	5,815
Market (1,000 head) 1/	37,643	40,125	40,725	40,725	39,610	40,790	41,310	40,585	40,235	42,150
Farrowings (1,000 head)	9,516	9,695	9,292	2,210	2,521	2,332	2,361	2,286	2,578	* 2,455
Pig crop (1,000 head)	75,330	78,520	75,355	18,093	20,465	18,849	19,007	18,522	21,369	—

1/ Beginning of period. 2/ Classes estimated. 3/ Quarters are Dec. of preceding year–Feb. (I), Mar.–May (II), June–Aug. (III), & Sept.–Nov. (IV). *Intentions.

Information contact: Polly Cochran (202) 219–0998.

Crops & Products

Table 17.—Supply & Utilization[1,2]

	Area											
	Set aside 3/	Planted	Harvested	Yield	Production	Total supply 4/	Feed and residual	Other domestic uses	Exports	Total use	Ending stocks	Farm price 5/
	Mil. acres			Bu./acre				Mil. bu.				$/bu.
Wheat												
1989/90	9.6	76.6	62.2	32.7	2,037	2,761	139	853	1,232	2,224	536	3.72
1990/91	7.5	77.2	69.3	39.5	2,736	3,309	491	882	1,069	2,443	866	2.61
1991/92	15.9	69.9	57.7	34.3	1,981	2,888	246	887	1,282	2,416	472	3.00
1992/93*	7.3	72.3	62.4	39.4	2,459	3,001	186	933	1,354	2,472	529	3.24
1993/94*	5.7	72.2	62.5	38.3	2,402	3,040	278	965	1,228	2,469	571	3.26
1994/95*	4.7	70.5	62.0	38.5	2,388	3,037	225	992	1,225	2,432	605	2.90–3.40
	Mil. acres			Lb./acre				Mil. cwt (rough equiv.)				$/cwt
Rice												
1989/90	1.2	2.73	2.69	5.749	154.5	185.6	--	6/ 82.0	77.2	159.2	26.4	7.35
1990/91	1.0	2.90	2.82	5.529	156.1	187.2	--	6/ 91.8	70.9	162.7	24.6	6.68
1991/92	0.9	2.88	2.78	5.674	157.5	187.3	--	6/ 93.5	66.4	159.9	27.4	7.58
1992/93*	0.4	3.18	3.13	5.736	179.7	213.2	—	6/ 96.7	77.0	173.7	39.4	5.89
1993/94*	0.7	2.92	2.83	5.510	156.1	202.6	--	6/ 98.7	81.0	179.7	22.9	8.10
1994/95*	0.2	3.36	3.30	5.710	188.4	219.3	—	6/ 101.0	83.0	184.0	35.3	5.00–6.50
	Mil. acres			Bu./acre				Mil. bu.				$/bu.
Corn												
1989/90	10.8	72.2	64.7	116.3	7,525	9,458	4,389	1,356	2,368	8,113	1,344	2.36
1990/91	10.7	74.2	67.0	118.5	7,934	9,282	4,683	1,373	1,725	7,761	1,521	2.28
1991/92	7.4	76.0	68.8	108.6	7,475	9,016	4,878	1,454	1,584	7,916	1,100	2.37
1992/93*	5.3	79.3	72.2	131.4	9,482	10,589	5,301	1,512	1,663	8,476	2,113	2.07
1993/94*	10.9	73.3	63.0	100.7	6,344	8,482	4,775	1,580	1,275	7,630	852	2.50
1994/95*	2.2	78.8	71.8	128.4	9,214	10,071	5,250	1,710	1,450	8,410	1,661	1.95–2.35
	Mil. acres			Bu./acre				Mil. bu				$/bu.
Sorghum												
1989/90	3.3	12.6	11.1	55.4	615	1,055	517	15	303	835	220	2.10
1990/91	3.3	10.5	9.1	63.1	573	793	410	9	232	651	143	2.12
1991/92	2.5	11.1	9.9	59.3	585	727	374	9	292	674	53	2.25
1992/93*	2.0	13.3	12.2	72.8	884	937	478	7	277	762	175	1.89
1993/94*	2.3	10.5	9.5	59.9	568	743	465	8	200	673	70	2.30
1994/95*	1.5	10.2	9.3	71.1	661	732	425	8	200	833	99	1.75–2.15
	Mil. acres			Bu./acre				Mil. bu				$/bu
Barley												
1989/90	2.3	9.1	8.3	48.6	404	614	193	175	84	453	161	2.42
1990/91	2.9	8.2	7.5	56.1	422	596	205	176	81	461	135	2.14
1991/92	2.2	8.9	8.4	55.2	464	624	225	176	94	496	129	2.10
1992/93*	2.3	7.8	7.3	62.5	458	596	195	172	80	447	151	2.04
1993/94*	2.5	7.8	6.8	58.9	400	623	244	175	66	485	138	1.99
1994/95*	2.4	7.3	6.8	56.8	389	592	215	175	60	450	142	1.85–2.15
	Mil. acres			Bu./acre				Mil. bu.				$/bu.
Oats												
1989/90	0.4	12.1	6.9	54.3	374	538	266	115	1	381	157	1.49
1990/91	0.2	10.4	5.9	60.1	358	578	286	120	1	407	171	1.14
1991/92	0.6	8.7	4.8	50.7	243	489	235	125	2	362	128	1.21
1992/93*	0.7	8.0	4.5	65.6	295	477	234	125	6	364	113	1.32
1993/94*	0.8	7.9	3.8	54.4	206	426	193	125	3	321	106	1.38
1994/95*	0.6	8.7	4.1	60.0	248	428	175	125	2	302	126	1.10–1.30
	Mil. acres			Bu./acre				Mil. bu.				$/bu
Soybeans												
1989/90	0.0	60.8	59.5	32.3	1,924	2,109	7/ 101	1,146	623	1,870	239	5.69
1990/91	0.0	57.8	56.5	34.1	1,926	2,168	7/ 95	1,187	557	1,839	329	5.74
1991/92	0.0	59.2	58.0	34.2	1,987	2,319	7/ 103	1,254	684	2,041	278	5.58
1992/93*	0.0	59.1	58.2	37.8	2,188	2,468	7/ 127	1,279	770	2,176	292	5.56
1993/94*	0.0	59.4	58.4	32.0	1,869	2,106	7/ 96	1,260	580	1,936	170	6.40
1994/95*	0.0	61.8	60.7	37.8	2,282	2,457	7/ 112	1,310	665	2,087	370	4.75–5.75
								Mil. lbs				8/ Cts./lb.
Soybean oil												
1989/90	—	—	—	—	13,004	14,741	—	12,083	1,353	13,436	1,305	22.30
1990/91	—	—	—	—	13,408	14,730	—	12,164	780	12,944	1,786	21.00
1991/92	—	—	—	—	14,345	16,132	—	12,245	1,648	13,893	2,239	19.10
1992/93*	—	—	—	—	13,778	16,027	—	13,053	1,419	14,472	1,555	21.40
1993/94*	—	—	—	—	13,725	15,340	—	12,900	1,400	14,300	1,040	26.75
1994/95*	—	—	—	—	14,735	15,800	—	13,100	1,400	14,500	1,300	22.0–26.0
								1,000 tons				9/ $/ton
Soybean meal												
1989/90	—	—	—	—	27,719	27,900	—	22,263	5,319	27,582	318	186.48
1990/91	—	—	—	—	28,325	28,688	—	22,934	5,469	28,403	285	181.40
1991/92	—	—	—	—	29,831	30,183	—	23,008	6,945	29,953	230	189.20
1992/93*	—	—	—	—	30,364	30,687	—	24,251	6,232	30,483	204	193.75
1993/94*	—	—	—	—	30,066	30,350	—	25,000	5,100	30,100	250	192.50
1994/95*	—	—	—	—	31,125	31,450	—	25,900	5,300	31,200	250	155–175

See footnotes at end of table

Table 17.—Supply & Utilization, continued

	Area												
	Set Aside 3/	Planted	Harvested	Yield	Production	Total supply 4/	Feed and residual	Other domestic use	Exports	Total use	Ending Stocks		Farm price 5/
	Mil. acres			Lb./acre	Mil. bales								Cts./lb.
Cotton 10/													
1989/90	3.5	10.6	9.6	614	12.2	19.3	—	8.8	7.7	16.5	3.0		66.20
1990/91	2.0	12.3	11.7	634	15.5	18.5	—	8.7	7.8	16.5	2.3		67.10
1991/92	1.2	14.1	13.0	652	17.6	20.0	—	9.6	6.7	16.3	3.7		58.10
1992/93*	1.7	13.2	11.1	599	16.2	19.9	—	10.3	5.2	15.5	4.7		54.90
1993/94*	1.4	13.4	12.8	606	16.2	20.8	—	10.4	7.0	17.4	3.5	11/	59.00
1994/95*	1.7	14.0	13.4	690	19.2	22.7	—	11.0	7.3	18.3	4.5	12/	

*August 11, 1994 Supply & Demand Estimates. 1/ Marketing year beginning June 1 for wheat, barley, & oats, August 1 for cotton & rice, September 1 for soybeans, corn, & sorghum, October 1 for soymeal & soyoil. 2/ Conversion factors: Hectare (ha.) = 2.471 acres, 1 metric ton = 2204.622 pounds, 36.7437 bushels of wheat or soybeans, 39.3679 bushels of corn or sorghum, 45.9296 bushels of barley, 68.8944 bushels of oats, 22.046 cwt of rice, & 4.59 480-pound bales of cotton. 3/ Includes diversion, acreage reduction, 50-92, & 0-92 programs. 0/92 & 50/92 set-aside includes idled acreage & acreage planted to minor oilseeds, sesame, and crambe. 4/ Includes imports. 5/ Marketing-year weighted average price received by farmers. Does not include an allowance for loans outstanding & Government purchases. 6/ Residual included in domestic use. 7/ Includes seed. 8/ Simple average of crude soybean oil, Decatur. 9/ Simple average of 48 percent, Decatur. 10/ Upland & extra long staple. Stocks estimates based on Census Bureau data, resulting in an unaccounted difference between supply & use estimates & changes in ending stocks. 11/ Weighted average for August 1-March 31; not a projection for the marketing year. 12/ USDA is prohibited from publishing cotton price projections. — = not available or not applicable.

Information contacts: Wheat, rice & feed grains, Jenny Gonzales (202) 501-8552, soybeans, soybean products & cotton, Mae Dean Johnson (202) 501-8522.

Table 18.—Cash Prices, Selected U.S. Commodities

	Marketing year 1/				1993	1994				
	1989/90	1990/91	1991/92	1992/93	June	Feb	Mar	Apr	May	June
Wheat, No. 1 HRW, Kansas City ($/bu.) 2/	4.22	2.94	3.77	3.67	3.33	3.80	3.64	3.63	3.65	3.80
Wheat, DNS, Minneapolis ($/bu.) 3/	4.16	3.06	3.82	3.91	3.96	5.28	4.94	4.99	5.05	4.20
Rice, S.W. La. ($/cwt) 4/	15.55	15.25	16.50	13.30	11.75	25.40	23.65	22.75	21.00	18.15
Corn, no. 2 yellow, 30 day, Chicago ($/bu.)	2.54	2.41	2.52	2.22	2.20	2.99	2.89	2.78	2.75	2.71
Sorghum, no. 2 yellow, Kansas City ($/cwt)	4.21	4.08	4.36	3.74	3.58	4.81	4.64	4.33	4.38	4.43
Barley, feed, Duluth ($/bu.) 5/	2.20	2.13	2.17	2.11	1.99	2.16	2.07	2.08	2.11	2.05
Barley, malting, Minneapolis ($/bu.)	3.28	2.42	2.38	2.37	2.30	2.63	2.65	2.73	2.84	2.86
U.S. price, SLM, 1-1/16 in. (cts./lb.) 6/	69.8	74.8	56.7	54.1	54.4	72.7	72.7	76.1	79.3	76.9
Northern Europe prices index (cts./lb.) 7/	82.3	82.9	62.9	56.9	58.5	80.5	82.1	83.9	86.1	85.1
U.S. M 1-3/32 in. (cts./lb.) 8/	83.5	88.2	66.3	62.5	63.0	82.5	83.8	86.8	90.6	86.1
Soybeans, no. 1 yellow, 30 day, Chicago ($/bu.)	5.86	5.78	5.75	5.96	5.91	6.77	6.81	6.62	6.79	6.79
Soybean oil, crude, Decatur (cts./lb.)	22.30	21.00	19.10	21.40	21.30	28.85	29.03	27.94	27.72	27.60
Soybean meal, 48% protein, Decatur ($/ton) 9/	186.50	181.40	189.20	193.75	193.10	198.40	195.40	188.90	193.07	196.60

1/ Beginning June 1 for wheat & barley; Aug. 1 for rice & cotton; Sept. 1 for corn, sorghum & soybeans; Oct. 1 for soymeal & oil. 2/ Ordinary protein. 3/ 14% protein. 4/ Long grain, milled basis. 5/ Beginning Mar. 1987 reporting point changed from Minneapolis to Duluth. 6/ Average spot market. 7/ Liverpool Cotlook "A" Index; average of five lowest prices of 13 selected growths. 8/ Memphis territory growths. 9/ Note change to 48% protein.

Information contacts: Wheat, rice, & feed grains, Jenny Gonzales (202) 501-8552; Soybeans, soybean products, & cotton, Mae Dean Johnson (202) 501-8522.

Table 19.—Farm Programs, Price Supports, Participation & Payment Rates

	Target price	Basic loan rate	Payment rates: Findley or announced 1/	Payment rates: Total deficiency	Payment rates: Paid land diversion: Mandatory	Payment rates: Paid land diversion: Optional	Effective base acres 2/	Program 3/	Participation rate 4/
				$/bu.			Mil acres	Percent of base	Percent of base
Wheat									
1988/89	4.23	2.76	2.21	0.69	—	—	84.8	27.5/0/0	86
1989/90	4.10	2.58	2.06	0.32	—	—	82.3	10/0/0	78
1990/91 5/	4.00	2.44	1.96	1.28	—	—	80.5	6/ 5/0/0	83
1991/92	4.00	2.52	2.04	*1.35	—	—	79.2	15/0/0	85
1992/93	4.00	2.58	2.21	0.81	—	—	78.9	5/0/0	83
1993/94	4.00	2.86	2.45	**1.03	—	—	78.4	0/0/0	88
1994/95	4.00	2.72	2.58	***0.95	—	—	78.2	0/0/0	87
1995/96	4.00	—	—	—	—	—	—	0/0/0	—
				$/cwt					
Rice									
1988/89	11.15	6.63	7/ 6.50	4.31	—	—	4.2	25/0/0	94
1989/90	10.80	6.50	7/ 6.00	3.56	—	—	4.2	25/0/0	94
1990/91 5/	10.71	6.50	7/ 5.40	4.16	—	—	4.2	20/0/0	95
1991/92	10.71	6.50	7/ 5.85	3.07	—	—	4.2	5/0/0	95
1992/93	10.71	6.50	7/ 4.70	4.21	—	—	4.1	0/0/0	96
1993/94	10.71	6.50	7/ 5.75	**3.98	—	—	4.1	5/0/0	97
1994/95	10.71	6.50	7/ —	***3.44	—	—	4.2	0/0/0	94
				$/bu.					
Corn									
1988/89	2.93	2.21	1.77	0.36	—	1.75	82.9	20/0/10	87
1989/90	2.84	2.06	1.65	0.58	—	—	82.7	10/0/0	79
1990/91 5/	2.75	1.96	1.57	0.51	—	—	82.6	10/0/0	78
1991/92	2.75	1.89	1.62	0.41	—	—	82.7	7.5/0/0	77
1992/93	2.75	2.01	1.72	0.73	—	—	82.1	5/0/0	76
1993/94	2.75	1.99	1.72	**0.28	—	—	81.8	10/0/0	81
1994/95	2.75	1.89	1.89	***0.45	—	—	81.6	0/0/0	82
				$/bu					
Sorghum									
1988/89	2.78	2.10	1.68	0.48	—	1.65	16.8	20/0/10	82
1989/90	2.70	1.96	1.57	0.66	—	—	16.2	10/0/0	71
1990/91 5/	2.61	1.86	1.49	0.56	—	—	15.4	10/0/0	70
1991/92	2.61	1.80	1.54	0.37	—	—	13.5	7.5/0/0	77
1992/93	2.61	1.91	1.63	0.72	—	—	13.6	5/0/0	79
1993/94	2.61	1.89	1.63	**0.25	—	—	13.5	5/0/0	82
1994/95	2.61	1.89	1.80	***0.51	—	—	13.5	0/0/0	81
				$/bu.					
Barley									
1988/89	2.51	1.80	1.44	0.00	—	1.40	12.5	20/0/10	79
1989/90	2.44	1.68	1.34	0.00	—	—	12.3	10/0/0	67
1990/91 5/	2.36	1.60	1.28	0.20	—	—	11.9	10/0/0	68
1991/92	2.36	1.54	1.32	0.62	—	—	11.5	7.5/0/0	76
1992/93	2.36	1.64	1.40	0.56	—	—	11.1	5/0/0	75
1993/94	2.36	1.62	1.40	**0.67	—	—	10.8	0/0/0	83
1994/95	2.36	1.62	1.54	***0.51	—	—	10.7	0/0/0	84
				$/bu.					
Oats									
1988/89	1.55	1.14	0.91	0.00	—	—	7.9	5/0/0	30
1989/90	1.50	1.06	0.85	0.00	—	—	7.6	5/0/0	18
1990/91 5/	1.45	1.01	0.81	0.32	—	—	7.5	5/0/0	09
1991/92	1.45	0.97	0.83	0.35	—	—	7.3	0/0/0	38
1992/93	1.45	1.03	0.88	0.17	—	—	7.2	0/0/0	40
1993/94	1.45	1.02	0.88	**0.11	—	—	7.1	0/0/0	46
1994/95	1.45	1.02	0.97	***0.15	—	—	6.8	0/0/0	41
				$/bu.					
Soybeans 9/									
1988/89	—	—	4.77	—	—	—	—	—	—
1989/90	—	—	4.53	—	—	—	—	—	—
1990/91 5/	—	—	4.50	—	—	—	—	—	—
1991/92	—	—	5.02	—	—	—	—	—	—
1992/93	—	—	5.02	—	—	—	—	—	—
1993/94	—	—	5.02	—	—	—	—	—	—
1994/95	—	—	4.92	—	—	—	—	—	—
				Cts./lb.					
Upland cotton									
1988/89	75.9	51.80	11/ 51.80	19.4	—	—	14.5	12.5/0/0	89
1989/90	73.4	50.00	11/ 50.00	13.1	—	—	14.6	25/0/0	89
1990/91 5/	72.9	50.27	11/ 50.27	7.3	—	—	14.4	12.5/0/0	86
1991/92 12/	72.9	50.77	11/ 47.23	10.1	—	—	14.6	5/0/0	84
1992/93	72.9	52.35	11/ 43.80	20.3	—	—	14.9	10/0/0	89
1993/94	72.9	52.35	11/ 49.00	**19.4	—	—	15.1	7.5/0/0	91
1994/95	72.9	50.00	11/ —	*** 6.9	—	—	15.3	11/0/0	89

1/ There are no Findley loan rates for rice or cotton. See footnotes 7/ & 11/. 2/ National effective crop acreage base as determined by ASCS. Net of CRP. 3/ Program requirements for participating producers (mandatory acreage reduction program/mandatory paid land diversion/optional paid land diversion). Acres idled must be devoted to a conserving use to receive program benefits. 4/ Percentage of effective base acres enrolled in acreage reduction programs. 5/ Payments & loans were reduced by 1.a percent in 1990/91 due to Gramm–Rudman–Hollings. Budget Reconciliation Act reductions to deficiency payments rates were also in effect in that year. Data do not include these reductions. 6/ Under 1990 modified contracts, participating producers plant up to 105 percent of their wheat base acres. For every acre planted above 95 percent of base, the acreage used to compute deficiency payments was cut by 1 acre. 7/ A marketing loan has been in effect for rice since 1985/86. Loans may be repaid at the lower of: a) the loan rate or b) the adjusted world market price (announced weekly). However, loans cannot be repaid at less than a specified fraction of the loan rate. Data refer to market–year average loan repayment rates. 8/ The sorghum, oats, & barley programs are the same as for corn except as indicated. 9/ There are no target prices, base acres, acreage reduction programs, or deficiency payment rates for soybeans. 10/ Nominal percentage of program crop base acres permitted to shift into soybeans without loss of base. 11/ A marketing loan has been in effect for cotton since 1986/87. In 1987/88 & after, loans may be repaid at the lower of: a) the loan rate or b) the adjusted world market price (announced weekly; Plan B). Starting in 1991/92, loans cannot be repaid at less than 70 percent of the loan rate. Data refer to annual average loan repayment rates. 12/ A marketing certificate program was implemented on Aug. 1, 1991. — = not available.

* For wheat, the 1991/92 rate is the total deficiency payment rate for the "regular" program. For the winter wheat option, the rate is $1.25.

** For wheat, corn, sorghum, barley and oats, regular deficiency payment rate based on the 5–month price. For rice and upland cotton, total deficiency payment rate.

***Estimated total deficiency payment rate based on Fiscal Year 1995 President's Budget Mid–Session Review.

Note: 1993 effective base acres and participation rates are from the May 18 Final Compliance Report.

Information contact: Agricultural Stabilization and Conservation Service (202) [illegible]

Table 20.—Fruit

	1985	1986	1987	1988	1989	1990	1991	1992	1993 P
Citrus 1/									
Production (1,000 ton)	10,525	11,058	11,993	12,781	13,188	10,860	11,285	12,452	15,338
Per capita consumpt. (lbs.) 2/	21.5	24.2	23.9	25.4	23.5	21.4	19.1	24.3	—
Noncitrus 3/									
Production (1,000 tons)	14,191	13,874	16,011	15,893	16,365	15,657	15,748	17,116	16,556
Per capita consumpt. (lbs.) 2/	65.1	68.7	73.4	71.7	73.0	70.8	70.8	74.4	—

	1993			1994					
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
F.o.b. shipping point prices									
Apples ($/carton) 4/	12.33	12.00	12.00	12.00	13.00	12.30	11.25	10.43	10.00
Pears ($/box) 5/	12.07	11.04	10.05	9.97	10.08	9.62	8.15	7.70	7.88
Grower prices									
Oranges ($/box) 6/	11.87	5.25	3.95	3.91	4.14	4.48	5.35	5.61	5.31
Grapefruit ($/box) 6/	8.13	4.19	4.38	3.20	3.20	2.54	2.27	1.53	0.97
Stocks, ending									
Fresh apples (mil. lbs.)	5,423.4	5,179.4	4,427.9	3,747.3	2,937.8	2,205.0	1,582.6	1,021.9	567.4
Fresh pears (mil. lbs.)	552.1	41.8	358.5	297.3	238.9	166.0	122.0	55.6	14.8
Frozen fruits (mil. lbs.)	1,179.0	1,110.8	1,008.8	935.7	848.3	769.6	761.2	737.1	824.4
Frozen orange juice (mil. lbs.)	817.2	890.9	955.5	1,229.0	1,407.3	1,273.8	1,499.6	1,615.2	1,521.1

1/ 1992 indicated 1991/92 season. 2/ Fresh per capita consumption. 3/ Calendar year. 4/ Red delicious, Washington, extra fancy, carton tray pack, 125's. 5/ D'Anjou, Washington, standard box wrapped, U.S. no. 1, 135's. 6/ U.S. equivalent on-tree returns. P = preliminary. — = not available.

Information contact: Wynnice Napper (202) 219-0884.

Table 21.—Vegetables

	Calendar year									
	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993 P
Production										
Total vegetables (1,000 cwt)	456,334	453,030	448,629	478,381	468,779	542,437	561,704	564,581	538,637	532,109
Fresh (1,000 cwt) 1/ 3/	201,817	203,549	203,165	220,539	228,397	239,281	239,104	229,505	245,752	237,027
Processed (tons) 2/ 3/	12,725,880	12,474,040	12,273,200	12,892,100	12,019,110	15,157,790	16,130,020	16,753,820	14,644,280	14,754,080
Mushrooms (1,000 lbs.) 4/	595,681	587,956	614,393	631,819	667,759	714,992	749,151	746,832	776,357	—
Potatoes (1,000 cwt)	362,039	406,609	361,743	389,320	358,438	370,444	402,110	417,622	425,367	419,415
Sweetpotatoes (1,000 cwt)	12,902	14,573	12,368	11,611	10,945	11,358	12,594	11,203	12,005	11,053
Dry edible beans (1,000 cwt)	21,070	22,298	22,960	26,031	19,253	23,729	32,379	33,765	22,615	21,842

	1993				1994					
	June	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
Shipments (1,000 cwt)										
Fresh	32,984	16,281	15,287	19,306	17,281	17,809	24,149	22,043	24,714	33,842
Iceberg lettuce	4,849	4,360	3,757	3,877	3,376	3,407	4,615	3,849	4,119	4,774
Tomatoes, all	3,945	3,179	2,573	2,069	2,568	3,074	3,876	3,114	2,830	3,999
Dry-bulb onions	3,341	3,105	3,131	2,792	2,363	2,282	3,450	3,368	2,884	3,482
Other 5/	20,849	5,637	5,826	10,568	8,974	9,046	12,208	11,712	14,901	21,587
Potatoes, all	12,949	13,111	13,771	13,694	13,141	12,953	20,075	18,218	15,166	13,447
Sweetpotatoes	209	286	566	335	172	211	347	165	163	135

1/ Includes fresh production of asparagus, broccoli, carrots, cauliflower, celery, sweet corn, lettuce, honeydews, onions, & tomatoes. 2/ Includes processing production of snap beans, sweet corn, green peas, tomatoes, cucumbers (for pickles), asparagus, broccoli, carrots, & cauliflower. 3/ Excludes estimates reinstated in 1992 to preserve series comparability. 4/ Fresh & processing agaricus mushrooms only. Excludes specialty varieties. Crop year July 1 - June 30. 5/ Includes snap beans, broccoli, cabbage, carrots, cauliflower, celery, sweet corn, cucumbers, eggplant, bell peppers, squash, cantaloupes, honeydews, & watermelons. p = preliminary. — = not available.

Information contacts: Gary Lucier (202) 219-0117 or John Love (202) 219-0388.

Table 22.—Other Commodities

	Annual					1993				1994
	1989	1990	1991	1992	1993	Jan-Mar	Apr-June	July-Sept	Oct-Dec	Jan-Mar
Sugar										
Production 1/	6,841	6,334	7,145	7,492	7,824	2,351	825	735	3,902	2,194
Deliveries 1/	8,340	8,661	8,593	8,936	9,023	2,067	2,201	2,491	2,264	2,114
Stocks, ending 1/	2,947	2,729	3,039	3,225	3,486	3,904	2,957	1,599	3,486	3,980
Coffee										
Composite green price N.Y. (cts./lb.)	95.17	76.93	70.09	55.30	64.31	60.48	55.07	69.47	72.21	76.08
Imports, green bean equiv. (mil. lbs.) 2/	2,685	2,715	2,553	2,989	2,498	757	596	575	570	561

	Annual			1993				1994		
	1991	1992	1993	Mar	Oct	Nov	Dec	Jan	Feb	Mar
Tobacco										
Avg. price to grower 3/										
Flue-cured ($/lb.)	172.3	172.6	168.8	—	175.0	169.5	—	—	—	—
Burley ($/lb.)	178.8	181.5	181.5	173.0	—	182.5	181.5	180.5	179.0	—
Domestic consumption 4/										
Cigarettes (bil.)	516.3	509.5	462.9	51.4	32.1	36.5	39.2	34.4	38.0	44.4
Large cigars (mil.)	2,231.9	2,217.1	2,237.8	189.9	174.4	160.0	210.3	139.3	156.1	204.4

1/ 1,000 short tons, raw value. Quarterly data shown at end of each quarter. 2/ Net imports of green & processed coffee. 3/ Crop year July-June for flue-cured, Oct.-Sept. for burley. 4/ Taxable removals. — = not available.

Information contacts: Sugar, Peter Buzzanell (202) 219-0888, Coffee, Fred Gray (202) 219-0013, Tobacco, Verner Grise (202) 219-0890.

World Agriculture

Table 23.—World Supply & Utilization of Major Crops, Livestock & Products

	1988/89	1989/90	1990/91	1991/92	1992/93 P	1993/94 F	1994/95 F
	Million units						
Wheat							
Area (hectares)	217.4	225.8	231.5	222.4	222.9	222.4	216.7
Production (metric tons)	495.0	533.2	588.2	542.6	561.4	560.5	542.0
Exports (metric tons) 1/	102.4	102.8	101.4	109.2	111.8	98.6	98.0
Consumption (metric tons) 2/	524.3	532.2	563.5	558.7	543.3	565.4	560.4
Ending stocks (metric tons) 3/	120.5	121.5	146.2	130.1	148.2	143.3	124.9
Coarse grains							
Area (hectares)	323.4	321.1	314.5	318.2	319.0	310.7	312.4
Production (metric tons)	721.0	791.0	821.7	803.1	863.0	786.1	853.9
Exports (metric tons) 1/	95.5	103.9	88.5	94.4	89.8	84.0	84.2
Consumption (metric tons) 2/	785.0	813.8	809.3	806.5	833.5	826.9	846.7
Ending stocks (metric tons) 3/	151.0	128.2	140.6	137.2	166.7	125.9	133.1
Rice, milled							
Area (hectares)	145.5	146.6	146.7	146.1	145.2	144.3	144.5
Production (metric tons)	330.1	343.1	350.7	352.3	352.5	350.4	350.2
Exports (metric tons) 4/	13.9	11.7	12.1	14.1	14.8	15.4	15.1
Consumption (metric tons) 2/	327.7	336.5	345.9	356.0	353.4	354.9	357.8
Ending stocks (metric tons) 3/	47.9	54.5	59.2	55.6	54.7	50.2	42.6
Total grains							
Area (hectares)	686.3	693.5	692.7	686.7	687.1	677.4	673.6
Production (metric tons)	1,546.1	1,667.3	1,760.6	1,698.0	1,776.9	1,697.0	1,746.1
Exports (metric tons) 1/	211.8	218.4	202.0	217.7	216.4	198.0	197.3
Consumption (metric tons) 2/	1,637.0	1,682.6	1,718.7	1,721.2	1,730.2	1,747.2	1,764.9
Ending stocks (metric tons) 3/	319.4	304.2	346.0	322.9	369.6	319.4	300.6
Oilseeds							
Crush (metric tons)	164.5	171.7	176.6	185.2	183.4	184.8	194.3
Production (metric tons)	201.6	212.4	215.7	224.5	226.9	225.0	245.5
Exports (metric tons)	31.5	35.6	33.4	37.6	27.7	36.6	39.2
Ending stocks (metric tons)	22.1	23.7	23.4	21.8	23.1	19.4	26.5
Meals							
Production (metric tons)	111.1	116.8	119.1	125.0	124.6	126.5	132.7
Exports (metric tons)	37.4	39.8	40.7	43.0	42.4	42.6	43.6
Oils							
Production (metric tons)	53.3	57.1	58.1	60.6	60.9	62.2	65.3
Exports (metric tons)	18.1	20.4	20.5	21.1	20.8	21.6	22.0
Cotton							
Area (hectares)	33.8	31.6	33.1	34.8	32.6	30.5	32.4
Production (bales)	84.4	79.7	87.0	96.0	82.7	76.1	85.8
Exports (bales)	33.4	31.3	29.7	28.1	25.4	26.9	27.8
Consumption (bales)	85.3	86.6	85.5	84.5	85.5	84.7	86.7
Ending stocks (bales)	31.4	25.8	28.2	40.2	37.5	29.7	28.5
	1988	1989	1990	1991	1992	1993 P	1994 F
Red meat							
Production (metric tons)	110.5	112.3	113.9	115.6	116.5	117.0	120.2
Consumption (metric tons)	108.3	110.9	111.8	113.5	113.5	114.3	117.5
Exports (metric tons) 1/	8.0	8.2	8.2	8.4	7.9	8.0	8.1
Poultry 5/							
Production (metric tons)	32.0	33.1	35.0	36.8	39.0	40.5	42.1
Consumption (metric tons)	31.4	32.6	34.3	36.2	38.5	39.8	41.2
Exports (metric tons) 1/	1.7	1.7	1.9	2.2	2.3	2.6	3.0
Dairy							
Milk production (metric tons) 6/	—	387.4	395.3	385.3	379.6	379.9	381.1

1/ Excludes intra-EC trade. 2/ Where stocks data not available (excluding USSR), consumption includes stock changes. 3/ Stocks data are based on differing marketing years & do not represent levels at a given date. Data not available for all countries; includes estimated change in USSR grain stocks but not absolute level. 4/ Calendar year data. 1989 data correspond with 1988/89, etc. 5/ Poultry excludes the Peoples Republic of China before 1986. 6/ Data prior to 1989 no longer comparable. P = preliminary. F = forecast. — = not available.

Information contacts: Crops, Carol Whitton (202) 219-0825; red meat & poultry, Linda Bailey (202) 219-0765; dairy, Sara Short (202) 219-0769.

U.S. Agricultural Trade

Table 24.—Prices of Principal U.S. Agricultural Trade Products

	Annual			1993	1994					
	1991	1992	1993	June	Jan	Feb	Mar	Apr	May	June
Export commodities										
Wheat, f.o.b. vessel, Gulf ports ($/bu.)	3.52	4.13	3.83	3.31	4.22	4.01	3.85	3.83	3.82	3.79
Corn, f.o.b. vessel, Gulf ports ($/bu.)	2.75	2.66	2.62	2.37	3.23	3.15	3.05	2.87	2.81	2.85
Grain sorghum, f.o.b. vessel, Gulf ports ($/bu.)	2.69	2.63	2.58	2.30	3.14	3.07	2.93	2.74	2.77	2.75
Soybeans, f.o.b. vessel, Gulf ports ($/bu.)	6.05	6.01	6.53	6.27	7.30	7.12	7.12	6.88	7.04	6.99
Soybean oil, Decatur (cts./lb.)	20.14	19.16	22.83	21.21	29.89	28.73	28.82	27.95	29.01	27.51
Soybean meal, Decatur ($/ton)	172.90	177.79	199.18	193.41	198.44	198.37	194.96	189.22	193.07	196.6
Cotton, 7-market avg. spot (cts./lb.)	69.69	53.90	55.36	54.38	66.53	72.69	72.74	76.12	79.34	76.85
Tobacco, avg. price at auction (cts./lb.)	179.23	172.58	171.20	157.44	191.01	188.03	158.01	189.97	169.97	169.97
Rice, f.o.b. mill, Houston ($/cwt)	16.46	16.80	16.12	13.35	25.50	25.50	24.88	23.25	21.40	19.25
Inedible tallow, Chicago (cts./lb.)	13.26	14.37	14.89	15.11	15.33	15.14	15.44	14.94	15.56	16.27
Import commodities										
Coffee, N.Y. spot ($/lb.)	0.71	0.50	0.59	0.52	0.64	0.68	0.74	0.79	1.10	1.27
Rubber, N.Y. spot (cts./lb.)	45.73	46.25	45.00	43.78	44.91	46.12	49.62	50.83	51.42	55.06
Cocoa beans, N.Y. ($/lb.)	0.52	0.47	0.47	0.41	0.53	0.51	0.55	0.52	0.58	0.61

Information contact: Mary Teymourian (202) 501-8516.

Table 25.—Indexes of Real Trade-Weighted Dollar Exchange Rates 1/

	1993				1994						
	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May P	Jun P	July P
					1985 = 100						
Total U.S. trade 2/	67.1	68.2	68.7	69.9	70.6	70.1	69.1	69.0	68.3	67.5	67.1
Agricultural trade											
U.S. markets	76.0	76.6	77.5	77.7	78.1	77.2	76.8	76.6	76.6	76.5	75.2
U.S. competitors	78.0	78.5	78.9	78.4	78.4	78.6	78.1	78.6	77.7	77.4	77.2
Wheat											
U.S. markets	92.5	93.0	93.2	93.1	92.8	91.5	90.5	90.7	90.9	91.2	90.9
U.S. competitors	76.8	77.1	77.1	77.2	76.8	77.2	77.6	78.1	77.5	76.9	76.9
Soybeans											
U.S. markets	64.1	64.9	66.2	66.5	67.2	66.2	65.5	65.1	64.8	64.3	63.8
U.S. competitors	49.3	49.6	49.4	49.0	48.7	48.6	48.1	48.0	47.6	48.1	47.9
Corn											
U.S. markets	66.3	67.0	67.7	68.0	68.4	67.0	66.6	66.3	66.8	66.9	66.6
U.S. competitors	58.2	58.7	59.6	59.3	59.8	59.6	59.2	59.3	58.7	58.1	57.9
Cotton											
U.S. markets	71.2	71.9	72.5	72.7	73.1	71.6	71.3	70.9	70.7	70.3	69.9
U.S. competitors	105.4	107.6	110.1	109.7	109.3	110.8	111.4	112.0	112.0	112.4	112.7

1/ Real indexes adjust nominal exchange rates for differences in rates of inflation, to avoid the distortion caused by high-inflation countries. A higher value means the dollar has appreciated. See the October 1988 issue of Agricultural Outlook for a discussion of the calculations and the weights used. 2/ Federal Reserve Board index of trade-weighted value of the U.S. dollar against 10 major currencies. Weights are based on relative importance in world financial markets. P = preliminary.

Information contact: Douglas Rhoades or Tim Baxter (202) 501-8317.

Table 26.—Trade Balance

	Fiscal year 1/								May
	1987	1988	1989	1990	1991	1992	1993	1994 F	1994
					$ million				
Exports									
Agricultural	27,676	35,316	39,590	40,220	37,609	42,430	42,590	42,500	3,552
Nonagricultural	202,911	258,656	301,269	326,059	356,682	383,517	390,783	—	36,330
Total 2/	230,787	293,972	340,859	366,279	394,291	425,947	433,373	—	39,882
Imports									
Agricultural	20,650	21,014	21,476	22,560	22,588	24,323	24,454	25,000	2,179
Nonagricultural	367,374	409,138	441,075	458,101	463,720	488,556	537,584	—	50,580
Total 3/	388,024	430,152	462,551	480,661	486,308	512,879	562,038	—	52,759
Trade balance									
Agricultural	7,226	14,302	18,114	17,660	15,021	18,107	18,136	17,500	1,373
Nonagricultural	-164,463	-150,482	-139,806	-132,042	-107,038	-105,039	-146,801	—	-14,250
Total	-157,237	-136,180	-121,692	-114,382	-92,017	-88,932	-128,665	—	-12,877

1/ Fiscal years begin October 1 & end September 30. Fiscal year 1993 began Oct. 1, 1992 & ended Sept. 30, 1993. 2/ Domestic exports including Department of Defense shipments (F.A.S. value). 3/ Imports for consumption (customs value). F = forecast. — = not available.

Table 27.—U.S. Agricultural Exports & Imports

	Fiscal year*			May	Fiscal year*			May
	1992	1993	1994 F	1994	1992	1993	1994 F	1994
	1,000 units				$ million			
EXPORTS								
Animals, live (no.) 1/	1,476	1,107	—	91	567	358	—	28
Meats & preps., excl. poultry (mt)	1,107	1,160	2/ 1,000	117	3,236	3,349	—	302
Dairy products (mt) 1/	174	211	—	13	641	762	900	41
Poultry meats (mt)	794	986	1,200	124	915	1,031	—	133
Fats, oils, & greases (mt)	1,392	1,362	1,200	125	498	519	—	47
Hides & skins incl. furskins	—	—	—	—	1,336	1,288	—	119
Cattle hides, whole (no.) 1/	20,803	19,784	—	1,675	1,106	1,062	—	94
Mink pelts (no.) 1/	3,160	3,119	—	338	52	56	—	6
Grains & feeds (mt)	100,881	103,743	—	6,236	13,873	14,104	3/ 13,100	1,013
Wheat (mt)	34,322	36,078	31,000	2,254	4,323	4,737	4/ 4,200	312
Wheat flour (mt)	813	1,075	1,000	87	165	217	—	18
Rice (mt)	2,279	2,710	2,600	188	757	766	1,000	85
Feed grains, incl. products (mt)	50,752	50,705	37,100	2,527	5,801	5,261	4,300	308
Feeds & fodders (mt)	11,267	11,500	5/ 11,900	1,033	2,019	2,147	—	194
Other grain products (mt)	1,448	1,676	—	187	807	978	—	97
Fruits, nuts, & preps. (mt)	3,505	3,398	—	303	3,514	3,409	4,100	328
Fruit juices incl. froz. (1,000 hectoliters) 1/	7,767	7,845	—	678	427	423	—	45
Vegetables & preps. (mt)	2,703	2,790	—	294	2,790	3,220	—	328
Tobacco, unmanufactured (mt)	248	231	—	22	1,568	1,443	1,200	141
Cotton, excl. linters (mt)	1,494	1,125	1,600	186	2,183	1,526	2,500	284
Seeds (mt)	612	533	—	24	650	648	600	27
Sugar, cane or beet (mt) 1/	492	337	—	38	154	106	—	11
Oilseeds & products (mt)	28,671	29,190	—	1,363	7,162	7,211	6,800	416
Oilseeds (mt)	19,939	21,049	—	798	4,735	4,982	—	226
Soybeans (mt)	19,277	20,400	16,100	749	4,318	4,606	4,100	194
Protein meal (mt)	7,082	6,539	—	427	1,445	1,261	—	83
Vegetable oils (mt)	1,651	1,601	—	138	982	968	—	107
Essential oils (mt)	13	13	—	2	184	185	—	19
Other	91	92	—	8	2,733	3,011	—	268
Total	142,175	145,171	123,900	8,855	42,430	42,590	42,500	3,552
IMPORTS								
Animals, live (no.) 1/	2,830	3,461	—	258	1,275	1,569	1,400	117
Meats & preps., excl. poultry (mt)	1,134	1,128	—	99	2,684	2,726	—	236
Beef & veal (mt)	813	793	780	66	1,933	1,919	1,900	160
Pork (mt)	263	276	315	27	625	663	800	64
Dairy products (mt) 1/	232	231	—	19	816	860	900	69
Poultry & products 1/	—	—	—	—	132	137	—	12
Fats, oils, & greases (mt)	46	44	—	4	26	30	—	3
Hides & skins, incl. furskins 1/	—	—	—	—	185	181	—	20
Wool, unmanufactured (mt)	54	60	—	5	167	173	—	13
Grains & feeds (mt)	5,446	4,942	8,000	1,107	1,548	1,639	2,200	216
Fruits, nuts, & preps., excl. juices (mt)	5,883	6,089	5,980	653	2,919	2,988	—	313
Bananas & plantains (mt)	3,626	3,737	3,700	404	1,083	1,083	1,000	115
Fruit juices (1,000 hectoliters) 1/	26,049	27,053	22,000	2,785	871	640	—	60
Vegetables & preps. (mt)	2,171	2,733	—	230	2,125	2,440	2,600	221
Tobacco, unmanufactured (mt)	364	386	275	14	1,299	1,101	800	43
Cotton, unmanufactured (mt)	11	12	—	1	10	11	—	2
Seeds (mt)	174	189	275	14	214	214	200	17
Nursery stock & cut flowers 1/	—	—	—	—	578	629	—	58
Sugar, cane or beet (mt)	1,623	1,569	—	77	633	591	—	29
Oilseeds & products (mt)	2,330	2,484	—	255	1,124	1,204	1,400	124
Oilseeds (mt)	429	373	—	72	135	130	—	23
Protein meal (mt)	629	618	—	64	84	89	—	9
Vegetable oils (mt)	1,273	1,492	—	119	904	985	—	92
Beverages excl. fruit juices (1,000 hectoliters) 1/	13,739	14,014	—	1,412	2,044	1,975	—	183
Coffee, tea, cocoa, spices (mt)	2,391	2,244	2,150	140	3,415	3,018	—	233
Coffee, incl. products (mt)	1,330	1,185	1,050	69	1,798	1,502	2,000	126
Cocoa beans & products (mt)	773	770	800	49	1,122	1,028	1,100	69
Rubber & allied gums (mt)	920	981	1,200	90	758	839	900	79
Other	—	—	—	—	1,503	1,488	—	132
Total	—	—	—	—	24,323	24,454	25,000	2,179

*Fiscal years begin Oct. 1 & end Sept. 30. Fiscal year 1993 began Oct. 1, 1992 & ended Sept. 30, 1993. 1/ Not included in total volume. 2/ Forecasts for footnoted items 2/–5/ are based on slightly different groups of commodities. Totals for fiscal 1993 forecast commodities were 2/ 903,000 tons. 3/ $14,332 million. 4/ $4,954 million, includes flour. 5/ 11.885 million tons. F = forecast. — = not available.

Information contact: Joel Greene (202) 219–0818.

Table 28.—U.S. Agricultural Exports by Region

Region & country	Fiscal year*			May	Change from year* earlier			May
	1992	1993	1994 F	1994	1992	1993	1994 F	1994
	$ million				Percent			
WESTERN EUROPE	7,740	7,499	7,200	489	6	-3	-4	7
European Union	7,193	7,022	6,500	451	6	-2	-7	10
Belgium-Luxembourg	461	482	--	45	-1	5	—	43
France	618	613	—	38	8	-1	--	2
Germany	1,091	1,146	--	78	-4	5	—	-13
Italy	684	568	—	28	1	-17	—	11
Netherlands	1,812	1,801	--	102	16	-1	—	13
United Kingdom	882	916	—	62	0	4	--	-3
Portugal	240	223	--	35	-4	-7	—	67
Spain, incl. Canary Islands	951	829	—	42	11	-13	--	32
Other Western Europe	546	477	500	39	2	-13	5	-17
Switzerland	187	152	—	13	-4	-19	--	-29
EASTERN EUROPE	222	468	400	20	-27	111	-15	-50
Poland	49	230	—	8	7	368	—	-46
Former Yugoslavia	50	47	--	5	-32	-6	--	520
Romania	76	107	—	4	-7	42	—	-80
Former Soviet Union	2,704	1,561	1,500	67	54	-42	-4	-71
ASIA	17,782	17,832	16,500	1,699	10	0	-7	25
West Asia (Mideast)	1,770	1,922	1,900	151	24	9	-1	21
Turkey	344	369	--	33	54	7	--	3
Iraq	0	1	0	0	0	150	0	0
Israel, Incl. Gaza & W. Bank	346	382	400	36	21	10	5	38
Saudi Arabia	549	463	500	52	2	-16	8	109
South Asia	536	641	--	83	43	20	--	323
Bangladesh	123	52	--	15	64	-58	--	2,275
India	117	226	--	20	24	93	--	36
Pakistan	226	236	300	37	57	4	27	2,814
China	690	322	500	121	3	-53	55	202
Japan	8,383	8,461	9,200	803	8	1	9	12
Southeast Asia	1,470	1,551	--	159	19	6	--	74
Indonesia	353	327	—	37	27	-7	—	77
Philippines	443	512	500	50	19	16	-2	67
Other East Asia	4,934	4,935	5,000	383	6	0	1	4
Taiwan	1,916	1,999	2,200	143	10	4	10	6
Korea, Rep	2,200	2,041	1,900	144	2	-7	-7	-9
Hong Kong	817	880	900	96	10	8	2	28
AFRICA	2,304	2,671	2,300	120	22	16	-14	-39
North Africa	1,411	1,659	1,600	70	2	18	-4	-49
Morocco	156	310	—	11	21	98	--	-50
Algeria	478	458	700	31	0	-4	53	-37
Egypt	709	756	600	29	2	7	-21	-39
Sub-Sahara	893	1,012	800	50	80	13	-21	-14
Nigeria	31	158	--	8	-30	413	--	-33
Rep. S. Africa	328	383	—	12	343	17	—	-39
LATIN AMERICA & CARIBBEAN	6,438	6,883	7,000	627	17	7	2	17
Brazil	143	231	200	9	-47	61	-13	-22
Caribbean Islands	970	1,015	--	79	-4	5	--	-3
Central America	587	675	—	78	18	15	—	43
Colombia	142	234	--	12	15	65	—	-23
Mexico	3,676	3,660	3,900	379	27	0	7	21
Peru	179	172	--	14	19	-4	--	85
Venezuela	394	502	400	37	28	27	-20	11
CANADA	4,812	5,220	5,300	488	9	8	2	-3
OCEANIA	428	456	500	42	23	6	10	9
TOTAL	42,430	42,590	42,500	3,552	13	0	0	6
Developed countries	21,968	22,337	22,500	1,864	9	2	1	6
Developing countries	19,771	19,918	—	1,498	17	1	—	12
Other countries	691	335	—	190	3	-51	--	-31

*Fiscal years begin Oct. 1 & end Sept. 30. Fiscal year 1993 began Oct. 1, 1992 & ended Sept. 30, 1993. F = forecast. — = not available.
Note: Adjusted for transhipments through Canada.

Information contact: Joel Greene (202) 219-0020

Farm Income

Table 29.—Farm Income Statistics

	Calendar year									
	1984	1985	1986	1987	1988	1989	1990	1991	1992 P	1993 F	1994 F
	$ billion										
1. Farm receipts	147.7	150.1	140.0	148.5	158.4	168.9	177.5	176.5	178.8	181.8	182 to 191
Crops (incl. net CCC loans)	69.9	74.3	63.7	65.9	71.7	77.0	80.1	81.9	84.8	84.1	85 to 89
Livestock	72.9	69.8	71.6	76.0	79.4	84.1	89.8	86.8	86.4	90.3	90 to 93
Farm related 1/	4.9	6.0	5.7	6.6	7.3	7.8	7.6	7.8	7.6	7.4	7 to 9
2. Direct Government payments	8.4	7.7	11.8	16.7	14.5	10.9	9.3	8.2	9.2	12.7	8 to 10
Cash payments	4.0	7.6	8.1	6.6	7.1	9.1	8.4	8.2	9.2	12.7	10 to 11
Value of PIK commodities	4.5	0.1	3.7	10.1	7.4	1.7	0.9	0.0	0.0	0	0 to 1
3. Gross cash income (1+2) 2/	156.1	157.9	152.8	165.1	172.9	179.8	186.8	184.7	187.9	194.5	190 to 198
4. Nonmoney income 3/	5.9	5.6	5.5	5.6	6.3	6.3	6.2	5.9	6.1	6.4	6 to 7
5. Value of inventory change	6.0	−2.3	−2.2	−2.3	−3.4	4.8	3.4	−0.3	3.8	−4.1	3 to 8
6. Total gross farm income (3+4+5)	168.0	161.2	156.1	168.5	175.8	190.9	196.4	190.3	197.7	196.9	202 to 210
7. Cash expenses 4/	118.7	110.7	105.0	109.4	118.4	125.1	130.9	131.4	130.2	132.0	131 to 139
8. Total expenses	141.9	132.4	125.1	128.8	137.0	144.0	149.9	150.3	149.1	151.4	151 to 160
9. Net cash income (3–7)	37.4	47.1	47.8	55.6	54.5	54.7	55.9	53.3	57.7	62.5	53 to 63
10. Net farm income (6–8)	26.1	28.8	31.0	39.7	38.8	46.9	46.5	40.0	48.6	45.5	45 to 55
Deflated (1987$)	28.7	30.5	32.0	39.7	37.3	43.3	41.1	34.0	40.2	36.7	37 to 43

1/ Income from machine hire, custom work, sales of forest products, & other miscellaneous cash sources. 2/ Numbers in parentheses indicate the combination of items required to calculate a given item. 3/ Value of home consumption of self-produced food & imputed gross rental value of farm dwellings. 4/ Excludes capital consumption, perquisites to hired labor, & farm household expenses. Total may not add because of rounding. P = preliminary. F = forecast.
Note: 1988–92 accounts (primarily expenses) have been revised to reflect improved methods for estimating farm income. Call contact for information.

Information contact: Robert McElroy (202) 219–0802.

Table 30.—Average Income to Farm Operator Households

	Calendar year					
	1989	1990	1991	1992 P	1993 F	1994 F
	$ per operator household					
Farm income to household 1/	5,796	5,742	5,809	4,882	5,700	4,600 to 6,100
Self-employment farm income	4,723	4,973	4,458	2,874	—	—
Other farm income to household	1,073	768	1,351	2,008	—	—
Plus: Total off-farm income	26,223	33,265	31,638	35,731	35,000	35,500 to 37,500
Income from wages, salaries, and non-farm businesses	19,467	24,778	23,551	27,022	—	—
Income from interest, dividends, transfer payments, etc.	6,756	8,487	8,087	8,709	—	—
Equals: Farm operator household income	32,019	39,007	37,447	40,613	40,700	40,000 to 43,500

1/ Farm income to the household equals self-employment income plus amounts that operators pay themselves & family members to work on the farm, income from renting out acreage, & net income from a farm business other than the one being surveyed. Data for 1989–90 are based on surveys that did not fully account for small farms. Data for 1991 include an additional 350,000 farms, many with gross sales under $10,000 & negative net farm incomes. P = preliminary. F = forecasts. — = not available at this time.

Information contact: Janet Perry (202) 219–0803.

Table 31.—Balance Sheet of the U.S. Farming Sector

	Calendar year 1/										
	1984	1985	1986	1987	1988	1989	1990	1991	1992 P	1993 F	1994 F
						$ billion					
Assets											
Real estate	661.8	586.2	542.3	578.9	595.5	615.7	628.2	623.2	633.1	657	675 to 685
Non-real estate	195.2	186.5	182.1	193.7	205.6	214.1	220.2	219.1	228.4	232	230 to 240
Livestock & poultry	49.5	46.3	47.8	58.0	62.2	66.2	70.9	68.1	71.3	72	72 to 76
Machinery & motor vehicles	85.0	82.9	81.5	80.0	81.2	85.1	85.4	85.8	85.8	87	86 to 90
Crops stored 2/	26.1	22.9	16.3	17.5	23.3	23.4	22.8	22.0	24.1	26	24 to 28
Purchased inputs	2.0	1.2	2.1	3.2	3.5	2.6	2.8	2.8	3.9	3	2 to 4
Financial assets	32.8	33.3	34.5	35.1	35.4	36.8	38.3	40.6	43.4	45	45 to 49
Total farm assets	857.0	772.7	724.4	772.6	801.1	829.7	848.4	842.2	861.5	888	915 to 925
Liabilities											
Real estate debt 3/	106.7	100.1	90.4	82.4	77.6	75.4	74.1	74.6	75.6	76	75 to 79
Non-real estate debt 4/	87.1	77.5	66.6	62.0	61.7	61.9	63.2	64.3	63.8	66	64 to 68
Total farm debt	193.8	177.6	157.0	144.4	139.4	137.2	137.4	138.9	139.3	142	140 to 146
Total farm equity	663.3	595.1	567.5	628.2	661.7	692.4	710.9	703.3	722.2	746	770 to 780
						Percent					
Selected ratios											
Debt-to-assets	22.6	23.0	21.7	18.7	17.4	16.5	16.2	16.5	16.2	16	15 to 17
Debt-to-equity	29.2	29.8	27.7	23.0	21.1	19.8	19.3	19.7	19.3	19	18 to 20
Debt-to-net cash income	518	377	328	259	256	251	246	260	245	224	225 to 235

1/ As of Dec. 31. 2/ Non-CCC crops held on farms plus value above loan rates for crops held under CCC. 3/ Excludes debt on operator dwellings, but includes CCC storage and drying facilities loans. 4/ Excludes debt for nonfarm purposes. F = forecast.

Information contacts: Ken Erickson, (202) 219-0799, Jim Ryan (202) 219-0796.

Table 32.—Cash Receipts From Farm Marketings, by State

Region & State	Livestock & products				Crops 1/				Total 1/			
	1992	1993	Apr 1994	May 1994	1992	1993	Apr 1994	May 1994	1992	1993	Apr 1994	May 1994
						$ million 2/						
NORTH ATLANTIC												
Maine	301	316	22	23	213	202	25	21	513	517	47	45
New Hampshire	65	65	6	6	79	79	8	6	144	144	13	11
Vermont	389	378	35	37	63	61	9	6	452	439	44	43
Massachusetts	135	135	10	11	356	360	22	20	491	495	32	31
Rhode Island	13	13	1	1	60	59	7	5	72	72	8	6
Connecticut	240	274	19	19	249	242	27	21	489	517	46	40
New York	1,914	1,886	162	172	1,032	1,032	72	58	2,946	2,918	234	229
New Jersey	192	192	16	17	465	465	37	66	657	657	54	83
Pennsylvania	2,554	2,576	223	229	1,064	1,079	94	85	3,618	3,655	317	314
NORTH CENTRAL												
Ohio	1,580	1,632	140	152	2,587	2,548	173	169	4,167	4,180	313	321
Indiana	1,821	1,916	159	141	2,684	3,185	179	147	4,505	5,103	338	288
Illinois	2,202	2,259	187	182	5,431	5,814	395	375	7,634	8,073	582	558
Michigan	1,325	1,353	107	115	1,962	2,396	130	121	3,286	3,749	237	236
Wisconsin	4,313	4,300	360	364	1,186	1,113	65	54	5,499	5,414	425	419
Minnesota	3,622	3,721	299	294	3,460	2,816	126	143	7,082	6,537	425	437
Iowa	5,814	5,898	475	480	4,716	4,213	241	230	10,330	10,111	716	711
Missouri	2,188	2,303	182	184	1,935	1,797	74	61	4,123	4,100	256	245
North Dakota	755	771	49	46	2,339	2,264	129	69	3,094	3,035	178	115
South Dakota	1,966	2,057	165	165	1,263	1,181	54	43	3,229	3,238	220	208
Nebraska	5,674	5,852	418	543	3,109	3,096	171	136	8,783	8,949	588	679
Kansas	4,558	4,675	325	409	2,442	2,821	101	83	7,000	7,295	426	492
SOUTHERN												
Delaware	451	501	50	36	184	170	9	8	636	671	59	44
Maryland	804	855	75	66	587	548	45	38	1,391	1,402	121	105
Virginia	1,353	1,417	119	106	781	687	26	25	2,134	2,105	145	132
West Virginia	267	258	28	26	75	75	3	3	343	334	31	29
North Carolina	2,795	3,132	269	245	2,386	2,225	82	93	5,181	5,357	351	337
South Carolina	545	550	50	49	632	594	27	26	1,177	1,144	77	75
Georgia	2,309	2,495	222	196	1,764	1,803	74	82	4,073	4,098	296	278
Florida	1,160	1,171	89	92	4,985	4,748	499	265	6,145	5,919	589	357
Kentucky	1,641	1,686	112	124	1,580	1,675	47	37	3,221	3,361	159	161
Tennessee	1,061	1,076	90	95	1,042	1,002	40	34	2,103	2,078	130	130
Alabama	2,063	2,152	191	159	768	738	45	37	2,830	2,890	236	196
Mississippi	1,355	1,507	143	121	1,247	1,041	40	25	2,602	2,548	182	146
Arkansas	2,702	2,855	268	205	1,901	1,516	46	30	4,602	4,370	314	235
Louisiana	587	614	58	59	1,259	1,095	30	20	1,846	1,709	88	78
Oklahoma	2,498	2,683	229	174	1,137	1,096	54	51	3,635	3,780	284	225
Texas	7,523	8,221	588	699	4,097	4,202	197	179	11,620	12,423	785	878
WESTERN												
Montana	921	986	69	53	821	818	69	59	1,742	1,804	138	111
Idaho	1,173	1,231	82	93	1,643	1,714	106	88	2,816	2,945	189	181
Wyoming	606	634	52	29	167	158	4	3	773	792	55	32
Colorado	2,955	3,051	193	221	1,083	1,184	77	86	4,038	4,235	270	307
New Mexico	1,040	1,104	86	72	490	486	25	43	1,530	1,590	111	115
Arizona	892	1,003	65	85	943	1,072	42	73	1,835	2,074	107	157
Utah	556	555	50	48	182	188	23	10	738	743	73	58
Nevada	202	202	16	18	71	94	14	4	273	295	30	22
Washington	1,532	1,520	135	122	2,922	2,899	170	161	4,454	4,419	305	284
Oregon	795	801	63	80	1,695	1,718	91	76	2,490	2,519	154	156
California	5,055	5,355	395	421	13,179	12,755	954	1,187	18,234	18,110	1,349	1,608
Alaska	6	6	0	1	20	20	1	1	25	25	2	2
Hawaii	88	89	7	8	476	405	32	33	564	494	39	40
UNITED STATES	86,358	90,283	7,157	7,292	84,810	83,150	5,009	4,698	171,168	173,433	12,167	11,990

1/ Sales of farm products include receipts from commodities placed under nonrecourse CCC loans, plus additional gains realized on redemptions during the period. 2/ Estimates as of end of current month. Totals may not add because of rounding.

Information contact: Roger Strickland (202) 219–0806. To receive current monthly cash receipts via postal mail or e–mail contact Bob Dubman at (202) 219–0809 or BDUBMAN@ERS.BITNET

Table 33.—Cash Receipts From Farming

	Annual					1993	1994				
	1988	1989	1990	1991	1992	1993	May	Jan	Feb	Mar	Apr	May
							$ million					
Farm marketings & CCC loans*	151,154	161,163	169,973	168,721	171,168	173,433	12,583	15,826	12,380	13,399	12,225	11,990
Livestock & products	79,434	84,122	89,843	86,780	88,358	90,283	7,823	7,763	7,308	7,790	7,155	7,292
Meat animals	46,492	46,857	51,911	51,089	48,427	51,353	4,505	4,462	4,291	4,360	3,755	4,062
Dairy products	17,641	19,396	20,149	18,037	19,848	19,619	1,793	1,718	1,594	1,758	1,739	1,763
Poultry & eggs	12,868	15,372	15,243	15,122	15,441	16,661	1,339	1,377	1,247	1,460	1,485	1,282
Other	2,433	2,498	2,540	2,531	2,642	2,650	186	206	176	191	175	185
Crops	71,720	77,040	80,130	81,942	84,810	83,150	4,760	8,062	5,072	5,608	5,070	4,698
Food grains	7,469	8,247	7,517	7,410	8,890	7,985	248	881	530	529	360	312
Feed crops	14,283	17,054	18,671	19,491	20,073	19,526	921	2,327	1,388	1,537	1,074	926
Cotton (lint & seed)	4,548	5,033	5,489	5,236	5,207	5,181	57	888	284	177	73	69
Tobacco	2,083	2,415	2,741	2,886	2,961	2,956	0	335	79	32	0	0
Oil-bearing crops	13,500	11,866	12,258	12,700	12,996	13,055	697	1,419	718	735	617	701
Vegetables & melons	9,818	11,596	11,449	11,562	11,436	11,831	1,378	826	720	949	1,000	1,302
Fruits & tree nuts	9,027	9,173	9,440	9,888	10,183	9,917	380	637	516	470	441	255
Other	10,993	11,657	12,566	12,778	13,065	12,899	1,082	850	838	1,180	1,505	1,134
Government payments	14,480	10,887	9,298	8,214	9,169	13,174	961	622	1,186	1,320	1,338	735
Total	165,582	171,914	179,218	175,506	179,338	186,607	13,544	15,539	13,566	14,719	13,561	12,725

* Sales of farm products include receipts from commodities placed under nonrecourse CCC loans, plus additional gains realized on redemptions during the period. — = not available.

Information contact: Roger Strickland (202) 219-0806. To receive current monthly cash receipts via mail contact Bob Dubman at (202) 219-0809 or BDUBMAN@ERS.BITNET.

Table 34.—Farm Production Expenses

	Calendar year										
	1985	1986	1987	1988	1989	1990	1991	1992 P	1993 F	1994 F	
						$ million					
Feed purchased	16,949	17,472	17,463	20,246	20,744	20,387	19,330	19,832	20,700	19,000	to 23,000
Livestock & poultry purchased	9,184	9,758	11,842	12,764	13,138	14,833	14,272	13,780	14,500	12,000	to 16,000
Seed purchased	3,128	3,188	3,259	4,062	4,400	4,521	5,119	4,918	5,000	4,000	to 6,000
Farm-origin inputs	29,261	30,418	32,564	37,071	38,281	39,742	38,722	38,531	40,200	39,000	to 43,000
Fertilizer & lime	7,512	6,820	6,453	7,681	8,177	8,210	8,671	8,340	8,300	7,000	to 13,000
Fuels & oils	6,436	5,310	4,957	4,800	4,772	5,790	5,599	5,311	5,400	4,000	to 7,000
Electricity	1,878	1,795	2,156	2,360	2,648	2,607	2,634	2,611	2,600	2,000	to 4,000
Pesticides	4,334	4,324	4,512	4,148	5,013	5,364	6,324	6,475	6,800	6,000	to 8,000
Manufactured inputs	20,159	18,249	18,078	18,987	20,610	21,971	23,229	22,736	23,200	22,000	to 28,000
Short-term interest	8,735	7,367	6,767	6,674	6,860	6,528	6,124	5,793	5,400	4,000	to 7,000
Real estate interest 1/	9,878	9,131	8,205	7,581	7,190	6,740	5,963	5,592	5,400	5,000	to 7,000
Total interest charges	18,613	16,498	14,972	14,255	13,850	13,268	12,088	11,385	10,700	10,000	to 14,000
Repair & maintenance 1/	6,370	6,426	6,759	7,717	8,407	8,553	8,630	8,469	8,900	8,000	to 12,000
Contract & hired labor	10,008	9,484	9,975	10,954	11,928	13,950	13,926	14,060	14,600	13,000	to 19,000
Machine hire & custom work	2,354	2,099	2,105	2,510	2,937	2,959	3,085	3,317	3,400	3,000	to 5,000
Marketing, storage, & transportation	4,127	3,652	4,078	3,516	4,206	4,211	4,719	4,542	3,900	3,000	to 5,000
Misc. operating expenses 1/ 2/	10,010	9,759	11,171	12,001	12,003	12,727	13,539	12,844	13,200	11,000	to 15,000
Other operating expenses	32,868	31,420	34,088	36,697	39,481	42,400	43,899	43,232	44,000	43,000	to 50,000
Capital consumption 1/	19,299	17,765	17,091	17,378	17,863	17,662	17,645	17,769	17,900	18,000	to 20,000
Taxes 1/	4,542	4,612	4,853	4,955	5,214	5,690	5,613	5,838	6,100	5,000	to 7,000
Net rent to nonoperator landlords	7,690	6,099	7,124	7,684	8,731	9,164	9,112	9,603	9,300	8,000	to 10,000
Other overhead expenses	31,531	28,499	29,069	30,016	31,807	32,517	32,370	33,210	33,300	32,000	to 35,000
Total production expenses	132,433	125,084	128,772	137,026	144,029	149,897	150,307	149,094	151,000	135,000	to 165,000

1/ Includes operator dwellings. 2/ Beginning in 1982, miscellaneous operating expenses include other livestock purchases, dairy assessments & feeding fees paid by nonoperators. Totals may not add because of rounding. P = preliminary. F = forecast.

Information contacts: Chris McGath (202) 219-0808, Robert McElroy (202) 219-0802.

Table 35.—CCC Net Outlays by Commodity & Function

	Fiscal year									
	1986	1987	1988	1989	1990	1991	1992	1993	1994 E	1995 E
	$ million									
COMMODITY/PROGRAM										
Feed grains										
Corn	10,524	12,346	8,227	2,863	2,435	2,387	2,105	5,143	635	1,678
Grain sorghum	1,185	1,203	764	467	349	243	190	410	133	179
Barley	471	394	57	45	-94	71	174	186	237	149
Oats	26	17	-2	1	-5	12	32	16	6	20
Corn & oat products	5	7	7	8	8	9	9	10	8	0
Total feed grains	12,211	13,967	9,053	3,384	2,693	2,722	2,510	5,765	1,019	2,026
Wheat	3,440	2,836	678	53	798	2,805	1,719	2,185	1,972	2,015
Rice	947	906	128	631	667	867	715	887	756	1,031
Upland cotton	2,142	1,788	666	1,461	-79	382	1,443	2,239	1,496	384
Tobacco	253	-346	-453	-367	-307	-143	29	235	641	71
Dairy	2,337	1,166	1,295	679	505	839	232	253	237	227
Soybeans	1,597	-476	-1,676	-86	5	40	-29	109	-162	-38
Peanuts	32	8	7	13	1	48	41	-13	38	86
Sugar	214	-65	-246	-25	15	-20	-19	-35	-25	-32
Honey	89	73	100	42	47	19	17	22	10	4
Wool	123	152	1/ 5	93	104	172	191	179	210	114
Operating expense 3/	457	535	614	620	618	625	6	6	7	7
Interest expenditure	1,411	1,219	425	98	632	745	532	129	57	27
Export programs 4/	102	276	200	-102	-34	733	1,459	2,193	1,804	1,397
1989/95 Disaster/Tree/ livestock assistance	0	0	0	3,919	2/ 161	121	1,054	944	3,047	1,080
Other	486	371	1,665	110	647	155	-162	949	685	1,387
Total	25,841	22,408	12,461	10,523	6,471	10,110	9,738	16,047	11,792	9,786
FUNCTION										
Price-support loans (net)	13,628	12,199	4,579	-926	-399	418	584	2,065	621	321
Direct payments 5/										
Deficiency	6,166	4,833	3,971	5,798	4,178	6,224	5,491	8,807	4,360	5,047
Diversion	64	382	8	-1	0	0	0	0	0	0
Dairy termination	489	587	260	168	189	96	2	0	0	0
Loan Deficiency	27	60	0	42	3	21	214	387	483	76
Other	0	0	0	0	0	0	140	149	137	75
Disaster	0	0	6	4	0	0	0	0	0	0
Total direct payments	6,746	5,862	4,245	6,011	4,370	6,341	5,847	9,143	4,980	5,198
1988-95 crop disaster	0	0	0	3,386	2/ 5	6	960	872	2,946	1,000
Emergency livestock/tree/ forage assistance	0	0	31	533	156	115	94	72	102	80
Purchases (net)	1,670	-479	-1,131	116	-48	646	321	525	508	249
Producer storage payments	485	832	658	174	185	1	14	9	13	13
Processing, storage, & transportation	1,013	1,659	1,113	659	278	240	185	136	94	110
Operating expense 3/	457	535	614	620	618	625	6	6	7	7
Interest expenditure	1,411	1,219	425	98	632	745	532	129	57	27
Export programs 4/	102	276	200	-102	-34	733	1,459	2,193	1,804	1,397
Other	329	305	1,727	-46	708	240	-264	897	660	1,384
Total	25,841	22,408	12,461	10,523	6,471	10,110	9,738	16,047	11,792	9,786

1/ Fiscal 1988 wool & mohair program outlays were $130,635,000 but include a one-time advance appropriation of $126,108,000, which was recorded as a wool program receipt by Treasury. 2/ Approximately $1.5 billion in benefits to farmers under the Disaster Assistance Act of 1989 were paid in generic certificates in FY 90 & were not recorded directly as disaster assistance outlays. 3/ Does not include CCC Transfers to General Sales Manager. 4/ Includes Export Guarantee Program, Direct Export Credit Program, CCC Transfers to the General Sales Manager, Market Promotion Program, starting in fiscal 1991 & starting in fiscal 1992 the Export Guarantee Program - Credit Reform, Export Enhancement Program, Dairy Export Incentive Program, and Technical Assistance to Emerging Democracies. 5/ Includes cash payments only. Excludes generic certificates in FY 86-94. E = Estimated in the FY 1995 Mid-Session Review Budget which was released July 14, 1994 based on June, 1994 supply & demand estimates. Minus (-) indicates a net receipt (excess of repayments or other receipts over gross outlays of funds).

Information contact: Richard Pazdalski (202) 720-5148.

Food Expenditures

Table 36.—Food Expenditures

	Annual			1994			1994 year-to-date		
	1991	1992	1993	May	June	July P	May	June	July P
				$ billion					
Sales 1/									
Off-premise use 2/	317.2	318.4	328.0	28.4	28.6	29.3	135.2	163.8	193.1
Meals & snacks 3/	229.7	237.5	250.5	22.6	23.0	23.6	103.9	126.9	150.5
				1993 $ billion					
Sales 1/									
Off-premise use 2/	328.3	325.5	328.0	27.7	27.9	28.4	131.9	159.9	188.3
Meals & snacks 3/	238.3	341.7	250.5	22.2	22.8	23.2	102.7	125.2	148.5
				Percent change from year earlier ($ bil.)					
Sales 1/									
Off-premise use 2/	4.3	0.4	3.0	1.7	4.4	2.2	2.9	3.1	3.0
Meals & snacks 3/	3.1	3.4	5.5	4.9	6.0	2.6	5.3	5.8	5.3
				Percent change from year earlier (1993 $ bil.)					
Sales 1/									
Off-premise use 2/	1.4	–0.9	0.8	–0.4	1.5	–1.5	0.0	0.2	0.0
Meals & snacks 3/	–0.3	1.4	3.6	3.1	6.2	2.3	3.4	3.9	3.7

1/ Food only (excludes alcoholic beverages). Not seasonally adjusted. 2/ Excludes donations & home production. 3/ Excludes donations, child nutrition subsidies, & meals furnished to employees, patients, & inmates. P = preliminary.

NOTE: This table differs from Personal Consumption Expenditures (PCE), table 2, for several reasons: (1) this series includes only food, excluding alcoholic beverages & pet food which are included in PCE; (2) this series is not seasonally adjusted, whereas PCE is seasonally adjusted at annual rates; (3) this series reports sales only, but PCE includes food produced & consumed on farms & food furnished to employees; (4) this series includes all sales of meals & snacks. PCE includes only purchases using personal funds, excluding business travel & entertainment. For a more complete discussion of the differences, see "Developing an Integrated Information System for the Food Sector," Agr. Econ. Rpt. No. 575, Aug 1987.

Information contact: Alden Manchester (202) 219-0756.

Transportation

Table 37.—Rail Rates; Grain & Fruit-Vegetable Shipments

	Annual			1993	1994					
	1991	1992	1993	June	Jan	Feb	Mar	Apr	May	June
Rail freight rate index 1/ (Dec. 1964=100)										
All products	109.3	109.9	110.9	110.8	111.6	111.7	112.0	111.9	111.9 P	112.1 P
Farm products	111.4	111.1	113.7	113.2	114.9	114.5	114.8	114.3	114.3 P	114.1 P
Grain	111.2	111.4	114.7	114.1	116.1	115.6	115.7	115.1	115.1 P	114.8 P
Food products	108.1	108.7	109.0	108.8	110.2	110.2	110.8	110.7	110.7 P	110.9 P
Grain shipments										
Rail carloadings (1,000 cars) 2/	26.6	27.4	27.4	24.7	26.0 P	25.1 P	25.1 P	23.7 P	22.2 P	22.0 P
Barge shipments (mil. ton) 3/	3.3	3.4	2.4	3.7	1.5	1.7	2.4	3.0	2.8	2.4
Fresh fruit & vegetable shipments 4/ 5/										
Piggy back (mil. cwt)	1.5	1.8	1.4	1.9	1.2	1.1	1.4	1.4	1.9	2.0
Rail (mil. cwt)	2.1	2.6	2.2	3.2	2.4	2.0	2.5	1.8	2.5	3.1
Truck (mil. cwt)	41.9	44.0	44.8	55.6	42.0	37.8	46.0	54.2	51.9	52.7
Cost of operating trucks hauling produce 4/										
Fleet operation (cts./mile)	126.5	124.1	127.2	127.2	127.0	128.3	128.1	128.2	127.8	127.4

1/ Department of Labor, Bureau of Labor Statistics. 2/ Weekly average; from Association of American Railroads. 3/ Shipments on Illinois & Mississippi waterways, U.S. Corps of Engineers. 4/ Agricultural Marketing Service, USDA. 5/ Preliminary data for 1994. P = preliminary — = not available.

Information contact: T.Q. Hutchinson (202) 219-0353.

Indicators of Farm Productivity

Table 38.—Indexes of Farm Production, Input Use & Productivity 1/

	1983	1984	1985	1986	1987	1988	1989	1990	1991 1/	1992 2/
					1982=100					
Farm output	84	101	105	102	104	97	108	112	112	--
All livestock products	102	100	103	103	106	108	110	112	114	--
Meat animals	102	100	99	99	100	102	102	102	105	--
Dairy products	103	99	105	106	105	107	108	109	109	--
Poultry & eggs	100	103	108	112	122	125	130	138	144	--
All crops	71	100	106	99	101	88	105	112	109	--
Feed crops	31	108	125	119	101	63	116	113	113	--
Food grains	84	93	97	77	77	70	77	99	76	--
Oil crops	75	87	96	88	86	71	87	87	92	--
Cotton and cotton seed	68	111	113	83	127	133	103	138	140	--
Tobacco	75	89	77	58	61	69	71	83	85	--
Vegetables and melons	97	103	109	110	117	111	114	123	122	--
Fruits and nuts	100	100	99	95	109	117	111	113	105	--
Other crops	101	110	111	120	132	137	141	141	148	--
Farm input	96	98	95	92	89	87	87	89	89	--
Farm Labor	95	97	89	87	84	86	82	87	88	--
Farm real estate	92	97	97	94	91	90	91	90	89	--
Durable equipment	95	91	86	80	74	70	67	65	63	--
Energy	97	100	90	84	93	93	91	90	89	--
Agricultural chemicals	93	106	101	111	100	90	93	90	94	--
Feed, seed, and livestock purchases	99	101	106	105	101	98	99	105	104	--
Other purchased inputs	107	108	99	89	92	90	96	97	100	--
Farm output per unit of input	88	103	111	111	117	112	124	127	126	--
Output per unit of labor										
Farm 3/	88	104	118	117	123	114	131	129	127	--
Nonfarm 4/	102	105	106	108	109	110	108	109	110	114

1/ New data and methods were used to calculate the 1991 indexes and to revise them back to 1948. 2/ Preliminary. 3/ Economic Research Service. 4/ Bureau of Labor Statistics. -- = not available.

Information contact: Rachel Evans (202) 501-8362.

Food Supply & Use

Table 39.—Per Capita Consumption of Major Food Commodities 1/

Commodity	1985	1986	1987	1988	1989	1990	1991	1992	1993 P
	Pounds								
Red meats 2/3/4/	124.9	122.2	117.4	119.5	115.9	112.3	111.9	114.1	111.9
Beef	74.6	74.4	69.6	68.6	65.4	64.0	63.1	62.8	61.7
Veal	1.5	1.6	1.3	1.1	1.0	0.9	0.8	0.8	0.8
Lamb & mutton	1.1	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Pork	47.7	45.2	45.6	48.8	48.4	46.4	46.9	49.5	48 8
Poultry 2/3/4/	46.2	47.1	50.7	51.7	53.6	56.0	58.0	60.0	61.0
Chicken	38.1	37 0	39.1	39.3	40.5	42.2	43.9	45.9	47.0
Turkey	9.1	10.2	11.6	12.4	13.1	13.8	14.1	14.2	14.1
Fish & shellfish 3/	15.0	15.4	16.1	15.1	15.6	15.0	14 8	14.7	14.9
Eggs 4/	32.9	32.6	32.7	31.6	30.4	30.1	30.0	30.2	30.1
Dairy products									
Cheese (excluding cottage) 2/5/	22.5	23.1	24.1	23.7	23.8	24 6	25.0	26.0	26.2
American	12.2	12.1	12.4	11.5	11.0	11.1	11.1	11.3	11.4
Italian	6.5	7.0	7.6	8.1	8.5	9.0	9.4	10.0	9.8
Other cheese 6/	3.9	4.0	4.1	4 1	4.3	4.5	4.6	4.7	5.0
Cottage cheese	4.1	4.1	3.9	3.9	3.6	3.4	3.3	3.1	2 9
Beverage milks 2/	229.7	226.6	226.5	222.4	224.3	221.7	221.2	218.5	214.3
Fluid whole milk 7/	123.4	116.5	111.9	105.7	97.6	90.4	87.4	84.1	80.5
Fluid lowfat milk 8/	93.7	98.6	100.6	100.5	106.5	108.4	109.9	109.4	107.0
Fluid skim milk	12.6	13.5	14.0	16.1	20.2	22.9	23.9	25.0	26.7
Fluid cream products 9/	6.7	7.0	7.1	7.1	7.3	7.1	7 3	7.5	7.6
Yogurt (excluding frozen)	4.1	4.4	4.4	4.7	4.3	4.1	4.2	4.3	4.4
Ice cream	18.1	18.4	16.4	17.3	16.1	15.8	16 3	16.3	16.1
Ice milk	6.9	7.2	7.4	8.0	8.4	7.7	7.4	7.1	6.9
Frozen yogurt	—	—	—	—	2 0	2.8	3.5	3.1	3.5
All dairy products, milk equivalent, milkfat basis 10/	593.7	591.5	601.2	582.9	585.2	589.7	585.3	584.9	572.1
Fats & oils — Total fat content	64.3	64.4	62.9	63.0	60.4	62.2	63.8	65.8	65.0
Butter & margarine (product weight)	15.7	16.0	15.2	14.8	14.6	15.3	14.8	15 2	15.3
Shortening	22.9	22.1	21.4	21.5	21.5	22.2	22.4	22.4	22.9
Lard & edible tallow (direct use)	3.7	3.5	2.7	2.6	2.1	2.5	3.1	4.1	3.8
Salad & cooking oils	23.5	24.2	25 4	25.8	24.0	24.2	25.2	25.6	24.3
Fresh fruits 11/	110.6	117.4	121.6	120.7	123.1	116.8	113.2	122.7	—
Canned fruit 12/	12.7	12.9	13.6	13.3	13.3	13.5	12.3	14.4	—
Dried fruit	2.9	2.7	3.1	3.3	3.2	3.6	3.1	3.2	—
Frozen fruit	3.3	3.6	3 9	3.8	4 6	4.3	3.9	4.7	—
Selected fruit juices 13/	66.9	65.0	70.0	64.7	67.0	59.6	63.8	59.6	—
Vegetables 11/									
Fresh	102.1	100.4	107.0	110.8	114.9	112.3	109.6	114.0	113.0
Canning	95.3	95.6	95.2	91.2	98.9	107.2	109.4	107.2	107.9
Freezing	19.6	18.6	19.3	21.2	20.9	20.5	21 8	21.0	22.8
Potatoes, all 11/	122.4	126.0	126.0	122.4	127.1	127.7	130.4	132 4	135.7
Sweetpotatoes 11/	5.4	4.4	4.4	4.1	4.1	4.6	4.0	4.3	3.9
Peanuts (shelled)	6.3	6.4	6.4	6.9	7.0	6.0	6.5	6.2	6.0
Tree nuts (shelled)	2.3	2.2	2.2	2.3	2.4	2.6	2.3	2.4	—
Flour & cereal products 14/	156 1	162.0	170.7	175.4	175.2	183.3	185.6	187.0	189.3
Wheat flour	124.6	125.6	129.8	131.7	129.4	135.6	136.6	138.1	139.4
Rice (milled basis)	9.0	11.6	14.0	14.3	15.2	16.2	16.8	16.9	17.6
Caloric sweeteners 15/	131.2	129.5	133.5	134.8	136.7	139.6	140.6	143.8	147.1
Coffee (green bean equiv.)	10.5	10.5	10.2	9.8	10.1	10.3	10.4	10.3	10.0
Cocoa (chocolate liquor equiv.)	3.7	3.8	3.8	3.8	4.0	4.3	4.6	4 6	4.6

1/ In pounds, retail weight unless otherwise stated. Consumption normally represents total supply minus exports, nonfood use, & ending stocks. Calendar-year data except fresh citrus fruits, peanuts, tree nuts, & rice, which are on crop-year basis. 2/ Totals may not add due to rounding. 3/ Boneless, trimmed weight. Chicken series revised to exclude amount of ready-to-cook chicken going to pet food as well as some water leakage that occurs when chicken is cut up before packaging. 4/ Excludes shipments to the U.S. territories. 5/ Whole & part-skim milk cheese. Natural equivalent of cheese & cheese products. 6/ Includes Swiss, Brick, Munster, cream, Neufchatel, Blue, Gorgonzola, Edam, & Gouda. 7/ Plain & flavored. 8/ Plain & flavored & buttermilk. 9/ Heavy cream, light cream, half & half, & sour cream & dip. 10/ Includes condensed & evaporated milk & dry milk products. 11/ Farm weight. 12/ Excludes pineapples & berries. 13/ Single strength equivalent. 14/ Includes rye, corn, oat, & barley products. Excludes quantities used in alcoholic beverages, corn sweeteners, & fuel. 15/ Dry weight equivalent. — = not available.

P = preliminary.

Information contact: Judy Jones Putnam (202) 219-0862.

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